

# CRA

*magazine*

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**BUYING INTO MEXICO**

**PARADISE FOUND**

**WHOM YOU SHOULD NOTIFY  
WHEN DEPARTING CANADA**

**WHEN EXPATS BECOME REPATS**  
**COMING HOME TO CULTURE SHOCK**

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# CRA

magazine

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## Buying into Mexico

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Based in the ancient city of Lanciano, Canadian College Italy's mission is to inspire its students to reach their highest intellectual and moral potential while preparing for effective university study and responsible adult life – a tall order, which CCI fulfills admirably.

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FROM THE

# Editor



With a typical Canadian winter well underway, we turn our thoughts in this issue to the colour and warmth of Mexico. From all reports, the Lake Chapala region is a unique haven for expat North Americans. According to the authors of one book, *Choose Mexico For Retirement* (available at [www.globe-pequot.com](http://www.globe-pequot.com)), "Estimates of the U.S. and Canadian expatriate population hereabouts range between 25,000 and 30,000, with about 8,000 living by the lake. An unusually large percentage of the expatriates here are Canadians. Long-time residents say the ratio of newcomers from Canada to U.S. citizens has changed from one to four to about one to one."

We were very fortunate to be able to call on lakeside residents and long-time CRA Magazine subscribers, Peter and Dick Hodges, for their personal insights into the joys of living in the Mexican town of Ajijic. Another Canadian expat, Ajijic real estate agent Kevin Collins, provides tips on purchasing a home lakeside, along with a stunning sampling of actual homes recently listed for sale.

On the financial side, Maurice Fortier examines whether investment markets are undergoing a structural revolution or a slow evolution; Dave Appleton looks at incorporating income trusts as part of a balance portfolio. Legal experts Tony Schweitzer and Graham Turner provide guidance on whom prospective expats should notify when leaving Canada, while Donna Bergles of Royal LePage Relocation Solutions examines reverse culture shock, the often-neglected syndrome that affects many former expats on repatriation.

If you are considering where to settle on your return to Canada, check out Lalescka Schreier's look at vibrant, historic Montreal. Parents seeking unique educational opportunities for young people will be especially interested in our look at Canadian College Italy, Canada's only high school in Italy. Located in the charming "ancient-yet-modern" city of Lanciano in eastern Abruzzo, the school integrates academic excellence with travel and life in a close-knit school community.

We also have two books "under review." Dr. Mark Wise, author of our regular medical column (don't miss his advice on inoculations in this issue), has written *The Travel Doctor*, Your guide to staying healthy while you travel. Our advice: don't leave home without it! *Potholes to Paradise*, Tessa Borner's account of her family's move from Canada to Costa Rica is an engaging personal account with sage advice for anyone contemplating relocation to Latin America.

Finally, *Canadians Resident Abroad Inc.*, the publisher of CRA Magazine, is now part of the Keybase group of companies. With this change, I will be moving on to new endeavours. I wish you all the best of luck.

**ELIZABETH J. PECK**

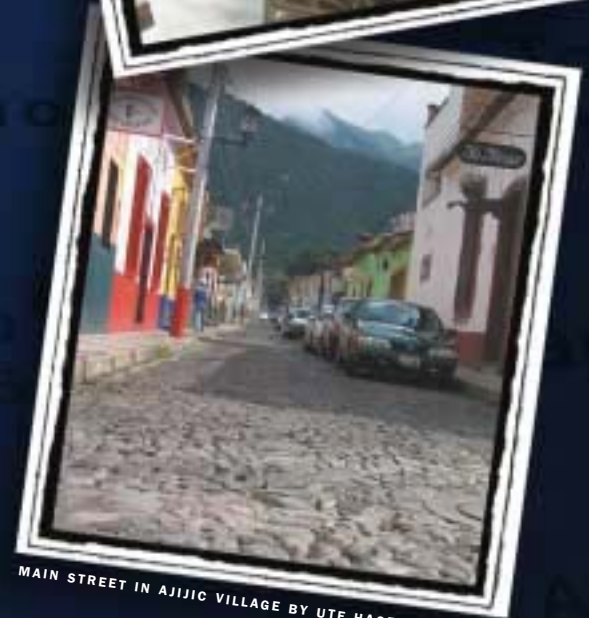
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BY KEVIN COLLINS

*Buying into*

# MEXICO

*From the depths of the Canadian winter, it is tempting to consider the delights of relocating or retiring to Mexico. To explore one version of the dream – the idyllic village of Ajijic on Lake Chapala – we asked Canadian expat and real estate agent Kevin Collins for an insider's report.*



MAIN STREET IN AJIJIC VILLAGE BY UTE HAGEN



LAKE CHAPALA SUNSET

Fifty years ago, the first North American expats settled in the Lake Chapala region of Mexico. Today, the best estimate of the foreign population is between 5,000 and 6,000, about half of whom are Canadian.

combination of location, people and weather. Ajijic is a small town, with little tourist traffic. However, proximity to cosmopolitan Guadalajara and to the international airport ensure that the town is not isolated. A four-hour drive will take me to the beautiful Pacific Ocean or to one of at least

I came to Ajijic eight years ago and found what was, for me, an ideal



**CASA CHAVEZ – \$98,000\***

COZY UPPER VILLAGE CHARM

2 bedrooms and a den in the heart of the village, walking distance to all amenities. Ample and open living room/dining room, Mexican kitchen and a bright patio on main floor. Huge master bedroom with a nice open feeling. Lots of Mexican touches and finishings.

- 2 Bedroom
- 2.5 Bathroom
- Den/Studio
- Lake View
- Fireplace
- Two Stories
- Partially Furnished
- Cable TV
- Lot Size: 168.00 M2

\*All prices in U.S. dollars



**CASA FURTNEY – \$129,000 (SOLD)**

STEPS FROM EVERYTHING

This 2 bedroom, 2 bath, upper village house, is just steps from gym, bank, and everything. This attractive home is turnkey and in move-in condition. The master bedroom is huge and has private ensuite. Living area has wraparound windows and private rear yard. This well-built low maintenance home is a "must see!"

- 2 Bedroom
- 2 Bathroom
- Separate Laundry
- Den/Studio
- Two Stories
- Mountain View
- Partially Furnished
- Bodega Storage
- Bodega Gardener
- Telephone
- Satellite System
- Water Pressure System
- Gated, Automatic Carport
- Lot : 260.00 M2
- Const: 1,614.00 sq.ft.

ten historic and charming colonial cities. The people of Ajijic could not be kinder or more tolerant of the expats who share their town: being polite is an art form here. So many Mexicans speak English that it is possible to get along with very little Spanish (mine is limited to the topics of food, beverage

and golf), but I know that I have missed a great deal by not taking advantage of the many opportunities to study it properly!

**REAL ESTATE REALITIES**

To provide stability against the fluctuating Peso, houses here are priced in U.S. dollars.

More than 95 per cent of home sales are cash deals. Occasionally owners are willing to take back some financing for a year or two but this is unusual and any problems can be tied up in the local court system.

While there is a misconception that you cannot obtain a direct deed in

Mexico, this is only true of areas close to a border or the ocean. Establishing clear title is handled by a specialized lawyer or notary appointed by the government to deal with all real estate transactions. While remarkably few problems arise, you may wish to get references from recent clients.



**CASA CONTRERAS - \$155,000**

**QUIET AND CHARMING**

New Mexican style 2 bedroom home with fantastic mature garden with fountain and fish pond. Lovely architectural features and lots of outside living space. Boveda brick ceilings and Mexican materials give you the feeling of old Mexico. Gorgeous grounds and mountain views.

- 2 Bedroom
- 2 Baths
- Casita
- Separate Laundry
- Bodega Gardener
- Two Stories
- Mountain View
- Telephone
- Partially Furnished
- Gated, Carport
- Lot Size: 600.00 M2
- Const. Size: 2,044.40 sq. ft.



**CASA CASSIDY - \$160,000**

**VILLAGE ATMOSPHERE**

Hidden behind walls, this 3 bedroom, 3.5 bath village home is bright and airy. Large patio with fireplace and wet bar are perfect for those afternoon parties by the kidney shaped pool. Special features like oversized garage, ample storage, low maintenance gardens, large rooms make this upper village home very livable. Lake and mountain views from the master bedroom and the feel of a Mexican abode make this home unique in today's market.

- 3 Bedroom
- 3.5 Baths
- Maid/Gardener Bath
- Separate Laundry
- Two Stories
- Lake & Mountain View
- Den/studio
- Telephone
- Fireplace

Since there are no disclosure laws to speak of, make sure your agent informs you of any problems with the physical structure of the home you are considering. While this sounds very scary, the truth is that there aren't that many major problems with the homes here, and

repairs are relatively inexpensive.

Closing costs, which are the responsibility of the buyer, are largely based on the fiscal evaluation that the municipality puts on the property. You must sign an application as a foreigner buying property under the laws of Mexico (this costs

approximately \$430 (U.S.) for each person buying the property). Other costs include the notary fees and the taxes, which are 2 per cent of the fiscal evaluation. Generally speaking, if you are using a reputable realtor and a good notary, the buying process should be quite painless and straightforward.

Because of the region's popularity with expats, housing prices have risen in recent years. Land in the prime areas is limited because there is a fairly narrow strip that runs along the lakeshore and up the hillside above Lake Chapala where you can purchase and build. Above this land is



### CASA RUSSO/SHUTTLES – \$165,000

#### PRESTIGIOUS "LAS SALVIAS"

Best location and best view, make this property a winner for those people who are looking for a project with tons of investment potential. Secure property, fully enclosed with mature gardens and a beautiful view of Ajijic and its surrounding lake.

- 2 Bedroom
- 3 Baths
- Separate Laundry
- Maid/Gardener Bath
- Bodega Gardener
- Bodega Storage
- One Story
- Lake & Mountain View
- Fireplace
- Telephone
- Unfurnished
- Parking: Garage, Automatic
- Water Pressure System
- Lot Size: 800.00 M2
- Const. Size: 3,766.00 sq. ft.

### CASA NAGEL – \$295,000

#### GREAT VIEWS IN RANCHO DEL ORO

This turnkey 2 bedroom, 3 bath home is in pristine condition. Wall to wall marble floors extend out to huge terrace and patio area. Tall hand sculptured windows bathe the home with light. Open concept throughout this home, studio can easily be converted into third bedroom. Lush gardens and palm trees frame your view from pool and large outdoor jacuzzi.

- 2 Bedroom
- 3 Baths
- Separate Laundry
- Den/Studio
- One Story
- Lake/Mountain View
- Telephone
- Furnished
- Heated Pool w/filter
- Water Pressure System
- Water Purification System
- Automatic Carport
- Fireplace
- Jacuzzi
- Lot Size: 653.00 M2
- Const: Size: 2,797.60 sq. ft.

"Ejido" property, set aside for the use of the indigenous population. Most stories about foreigners having problems with their property in Mexico involve people illegally selling Ejido land.

While housing prices may be steeper than you expected, property taxes are rarely over \$200 (U.S.) a year

and domestic help averages around \$2 (U.S.) an hour. Few people bother with air conditioning or heating (other than ceiling fans and a fireplace), and utilities are much less expensive than in Canada or the U.S. Combine these benefits with the tax advantages of living abroad and you'll agree with a

client of mine who said, "I'm not wealthy but I always wanted to live like a rich person, and I can do that here."

### LOCATION LOCATION LOCATION

People here will say with great conviction that wherever they live is the best

place to be. Many people initially look for property in the old village of Ajijic, but later realize that they are unlikely to find lake views in the village, and it can be noisy at times.

While newcomers tend to harbour the romantic notion that they can walk everywhere, most people



### CASA GRAVES - \$295,000

#### SPECTACULAR VIEWS

Located in one of Ajijic's prestigious gated communities, this 2 bedroom, 2.5 bath house it all. Mediterranean Mexican touches throughout, handpainted motifs in earth tone colours, distinctive columns on large terrace surround lush garden, palm trees and heated pool. Large kitchen finished in hardwood and granite make an elegant statement. Large studio/office and half bath give you that added space.

- 2 Bedroom
- 2.5 Baths
- Separate Laundry
- Maid/Gardener Bath
- Den/Studio
- One Story
- Lake
- Fireplace (2)
- Jacuzzi
- Furnished
- Telephone
- Heated Pool w/filter
- Water Purification System
- Water Pressure System
- 2 Car Automatic Garage
- Satellite System
- Lot Size: 704.71 M2
- Const: Size: 2,797.60 sq. ft.

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find they do need a car. Areas such as La Floresta and Villa Nova are walkable to the village but quieter, with wide streets and good quality homes.

Up the hill there are more gated communities with wonderful views, and it's a little quieter (Mexico can be a noisy

place: dogs, roosters and music are everywhere, but you do get used to it after a while!).

The Racquet Club has wonderful views, nice common pool area and lots of tennis activities, but it is a 10- to 12-minute drive from town. That does not sound like much but your world

shrinks here and it is too far out for some people.

You get more for your money outside the prime areas, but resale becomes a real issue if you get too far out. The exception to this rule might be the Chapala Country Club area, which has a nine-hole golf course and a good social scene.

However, it may be too far away from the amenities of Ajijic for non-golfers.

No two homes in Ajijic are alike. The houses are as eclectic as the people who choose to settle here, and while that makes living here fun, it takes some getting used to. Even the best neighbourhoods will have



### CASA CAMPBELL – \$310,000

#### GATED CONTEMPORARY MEXICAN

Most prestigious gated community at lakeside. Home has extra aljibe. Nice furniture package. Good layout. Low maintenance garden. Large community pool.

- 2 Bedroom
- 3 Baths
- Den/Studio
- Bodega Storage
- One Story
- Lake & Mountain Views
- Fireplace
- Furnished
- Telephone
- Water Purification System
- Water Pressure System
- Carport. Off street
- Satellite System
- Lot Size: 739.00M2
- Const: Size: 2,582.40 sq. ft.



### CASA ROBINSON – \$319,000

#### GRACIOUS AND ELEGANT

Exciting new listing in Upper Ajijic. This extremely well built home features 2 bedrooms, separate den plus an office off the master bedroom. Great lake and mountain views. One level, beautifully furnished with marble floors and granite counters in the kitchen. Lap pool and 2 fountains. Compares very well to other houses in this price range. Corny but true, won't last long at this price.

- 3 Bedroom
- 3 Bathroom
- Separate Laundry
- Bodega Storage
- Den/Studio
- Pool w/filter
- One Story
- Lake/Mountain View
- Fireplace
- Maid's Room
- Furnished
- Telephone
- Satellite System
- Purification & Pressure Systems
- Gated, Automatic Carport
- Lot Size: 890.00 M2
- Const Size: 3,174.20 sq. ft.

a series of wonderful houses and then a cornfield in the middle of everything. The local custom of building houses behind walls enhances privacy and security, and maximizes utilization of space.

**RESEARCH**

The best way to begin gathering information about the

Lake Chapala region is to get on the Internet, starting with <www.lagunanet.com.mex>.

While common sense would suggest renting for a season to two before buying, it can be difficult to find a long-term rental; most people use their homes here for at least half the year. It is hard (but not impossible)

to find a decent rental from American Thanksgiving through Easter. The only slow period is from Easter till the middle of June, when people from Texas, Arizona and Florida arrive to escape the heat during the summer months.

An excellent accommodation base for a fact-finding

mission to Ajijic is La Nueva Posada, a small, charming hotel located in the village of Ajijic right on the shore of Lake Chapala (e-mail: <nuevaposada@laguna.com.mx>). It is owned and operated by the Eager family, Canadians who have been here since 1975. The Eagers are a good source of



**CASA ANDERSON – \$359,000**

LOCATION & ELEGANCE IN ONE PACKAGE

Superb quality throughout best describes this one story, 3 bedroom, 3 bath mediterranean style home. Much larger gardens than surrounding neighbours, truly makes this a gardener’s dream. Large kitchen with granite countertop opens onto both dining and living rooms. Special features like wall to wall marble floors, reverse osmosis purification system, 2 telephone lines, large 2 car carport and ample storage make this a turnkey special. Built by Ambiance Fine Homes with many custom features chosen by the home owners.

- 3 Bedroom
- 3 Bathroom
- Den/Studio
- Separate Laundry
- Maid Gardener Bath
- Bodega Gardener
- Bodega Storage
- One Story
- Lake/Mountain View
- Fireplace
- Furnished
- 2 Telephone Lines
- Gated Automatic, Carport
- Water Pressure System
- Water Purification System
- Lot Size: 1,364.60 M2
- Const.: 3,303.32 sq. ft.



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information on any number of subjects. You might want to book early because they have only 19 rooms and four garden suites (the latter with kitchens and living rooms).

As someone once said, "People buy with their hearts and then justify it with logic." So if you fall in love

with a place, don't fight it. You don't have to make a hasty decision, but remember, paralysis through analysis could keep you from moving anywhere!

Meanwhile, "Hasta lo mas pronto posible!" (Spanish phrase for "See you real soon, eh!").

Festival & Hotel Photos by Bob Porter



MEXICAN FESTIVAL



HOTEL LA NUEVA POSADA



House listings for this story courtesy of Eager & Associates Real Estate, Ajijic, Mexico. They may be contacted at: Tel. 376.766.1917, Fax 376.766.2211, E-mail <eager\_asoc@laguna.com.mx>, Web site <www.eagerrealty.com>.

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BY DAVE APPLETON

# Portfolio

## INCREASE YOUR CASH FLOW – DECREASE YOUR RISK

Everyone wants to do this. Achieving it is less complicated than you might think. The variety of products available, coupled with the favourable tax treatment they receive (especially for some Canadians living abroad), provide some powerful tools to increase your cash flow and decrease your risk.

Income trusts are one type of investment that has received a lot of press lately. Because of our current low interest rate environment, and the fact that fixed income yields and dividend payouts have been shrinking, investors have been looking for alternative types of investments. This is especially true of retirees who have been living off their investments and are now faced with the problem of withdrawing funds from their portfolios at a time when the values of these assets are significantly lower. Enter income trusts.

Generally speaking, the focus of income trusts is to generate attractive cash flows for investors. They are usually made up of investments in three distinct categories:

- Royalty Trust Units (RTU's), based on a stream of royalty income from natural resource property;

- Real Estate Investment Trusts (REIT's), based on a stream of rental income;

- other income trust units, based on a stream of interest and dividend income from an operating business (pipelines or other infrastructure).

Most of the revenue generated by the income trust is flowed through to the unitholders, rather than being reinvested in the business. However, because most of the returns are deemed to be a return of capital (ROC), there is very little tax associated with this income. ROC does not just mean the investors' money, but includes such things as capital cost allowance on commercial

*“if you happen to be a non-resident of Canada, no withholding tax is applied to the capital gains. Result: a tax-free form of income and a tax-free net sale of the investment.”*

and industrial properties, and drilling credits for oil and gas exploration.

Remember that ROC will reduce the adjusted cost base (ACB) of your investment, resulting in a greater capital gain when you ultimately dispose of it.

This can be to your advantage, since capital gains are taxed at the lowest rate for investors and the investor can decide when to trigger this gain by selling the investment. In fact, if you happen to be a non-resident of Canada, no withholding tax is applied to the capital gains. Result: a tax-free form of income, and a tax-free net sale of the investment.

In response to this heightened interest in income trusts, a few mutual fund companies have developed funds that focus on paying out this tax-efficient income (usually monthly) as cash distributions that can be as high as 8 per cent or more, annually. Some examples of income trust funds are the GGOF Monthly High Income Fund, the Bissett Income Fund, the Elliott and Page Monthly High Income Fund, and CI Signature High Income Fund. Since Royalty Trusts and REIT's exhibit characteristics of both equities and bonds, these investments are not risk-proof. Their income stream can fluctuate both up and down, and the income yield is not guaranteed. That is why John Priestman, manager of the GGOF Monthly High Income Fund says, “One of the best ways to buy income trusts is to buy a diversified portfolio through mutual funds.”

Typically, these “Monthly High Income Funds” are very similar to balanced funds, but are considered to be more conservative in nature, with a more flexible mandate. One thing to keep in mind, though, is that income trusts should form only part of your portfolio, not the entire portfolio.

Another way to achieve a higher cash flow with lower risk is to utilize

*Portfolio, continued on page 15*



BY MAURICE FORTIER

# Running with the Bulls

## THE STRUCTURE OF INVESTMENT REVOLUTIONS

In 1999 there was much talk about a “New Paradigm” when it came to investing. This was at the height of the Internet bubble. For the investing public it was a grand time: put a bit of money into a small tech company and you could reap a fast and easy reward, despite the fact that the company had no plans to make money from its business at any point in the future. Price to earnings (PE) multiples, a standard gauge of how expensive a company’s stock is, were rising faster than gas prices on a long weekend.

This was the so-called New Paradigm. Old companies actually making money with a “bricks and mortar” business, and a PE multiple of a mere five times earnings, were way behind the times. The New Paradigm consisted of “Clicks and Mortar” tech companies that had a “Burn Rate” (how fast they spent the capital they could raise) and PE multiples of 100 times earnings.

By mid-2000 it became pretty clear that the New Paradigm was just another

bubble, and that sanity would soon come back to capital markets. Over the past two years it has done exactly that, and then some.

Flash forward to the fall of 2002. Capital markets are having an absolutely abysmal year. Corporate governance is in a shambles, and there is talk of another New Paradigm: markets will never provide the same returns as they have in the past and the best thing to do is to buy real property. Real estate and gold are booming.

Before we address the current situation, I think it would be helpful to examine the term “New Paradigm.” It seems that this term is carelessly thrown about, without any real appreciation for its origin or meaning.

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*“If anything, what we are seeing today is more of a slow evolution in investing. ...we are retrenching all that we know about investing.”*

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In 1962 a book called *The Structure of Scientific Revolutions* was published. It was based on work done by Thomas Kuhn as a graduate student in physics at Harvard. Kuhn, who later became a professor of Philosophy and the History of Science at such esteemed institutions

as Princeton, had come up with a theory that set the scientific world abuzz.

Kuhn argued that acquiring knowledge is not a slow and steady progression, but rather “a series of peaceful interludes punctuated by intellectually violent revolutions,” times when new ideas suddenly pop up that break with all tradition. Then, after a period of upheaval in which the establishment throws up reactionary opposition to the invader, the new idea succeeds in replacing the old, and once again you have order in the world — until the next upheaval.

For example, Ptolemy popularized the notion that the sun revolves around the earth, a view defended for centuries, even in the face of conflicting evidence. When, in 1543, Copernicus introduced the heliocentric universe (the sun at the centre with the earth and planets revolving around the sun) it was considered implausible by most of his contemporaries. But this was the beginning of a “Paradigm Shift.”

Such a shift is what many armchair pundits argued was happening in investment philosophy during the Internet bubble, and it is again being considered as a cause of the current malaise in the market.

But are we in a period of upheaval? Are we actually being presented with new ideas on how capital markets operate? Are we in the midst of a new Paradigm Shift?

The answer is, no. In fact, we are seeing a retrenchment of old ideas. For example, markets are once again basing the value of a company on its actual earnings and cash flow, not on what the accountants are able to magically make appear or disappear in the financial statements.

If anything, what we are seeing today is more of a slow evolution in investing. This is not a huge upheaval, or Paradigm Shift. We are actually in a period when we are retrenching all that we know about investing.

For example, diversification is well known to be one of the most, if not the most important aspect of developing an investment portfolio. We are now seeing this expand with new asset classes such as hedge funds being added to many asset mixes.

This is evidenced by a survey released by the Commonfund Institute on September 16, 2002. This interim report looked at more than 100 educational endowments in the U.S. Part of the survey's findings included an increase in allocations to alternative investments such as hedge funds.

Allocations to alternative investments increased from 11 per cent to 15 per cent over the past year. Alternative investments include hedge funds, private equity investments, equity in real estate and venture capital. Most of this shift to alternative investments went to hedge funds, as their share of the alternative category increased to 35 per cent from 22 per cent last year.

John Griswold, executive director of the Commonfund Institute noted: "This (interim) report suggests that alternative investments, most notably hedge funds, helped diversify portfolios for endowments and added a cushion in terms of performance."

So in the end, while it may seem like there is much chaos, volatility and upheaval in capital markets, there is really no New Paradigm on the horizon. There is no Paradigm Shift.

It is actually a time to revisit such basics as diversification, a time for patience. No revolution is in sight.

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### *Portfolio, continued from page 13*

some of the income funds offered by various fund companies that focus on paying out a monthly cash flow which is considered to be mostly a Return of Capital. Clarington's Canadian Income Fund and Global Income Fund (and Canadian Income Fund II) are examples of these types of funds. There is nothing unique about these funds. They are Balanced Funds investing in a mixture of bonds, stocks and cash. They currently pay a monthly cash distribution that some investors choose to reinvest and others choose to receive as cash. The key factor for those investors who choose to receive the distribution is the ability to tax defer part of this income until the units of the fund are sold. In short, these funds will endeavour to give the investor the growth of the funds in a very tax-efficient way, deferring as much as 75 per cent until the fund is sold. Again, because the sale is treated as a capital gain for tax purposes, little or no tax would be payable, especially if one were a non-resident. However, the one thing to keep in mind is that unlike a GIC or Term Deposit, the income from these funds is not guaranteed.

Franklin Templeton has just recently introduced a variation of this ROC idea called "Series-T Tax Efficient Withdrawal Plan." Series-T offers the same benefit as a Systematic Withdrawal Plan (SWP), but with the advantage of generating tax-efficient cash flow for non-registered investments. They offer a range of funds such as the Templeton International Stock Fund, Templeton Canadian Asset Allocation Fund, Bissett Dividend Income Fund, Bissett Canadian Balanced Fund, and Bissett Multinational Growth Fund. Series-T allocates the monthly income distributions as non-taxable ROC that has a target rate of return of 8 per cent per year of the value of the unit you own. Thus, you are deferring the taxes (again, capital

gains!) on this cash flow until the investment is sold, which could result in little or no tax being paid. What makes the Series-T attractive is that Franklin Templeton is using a range of equity, dividend income, and balanced funds to achieve this monthly cash flow goal.

But, keep in mind, the strategy is not without risk. Equity markets are volatile (as we all know) and market fluctuations can create problems for products such as these that are designed to produce regular income over time. The key is the type of funds that the companies use to produce this income, and I think that Franklin Templeton has chosen some stable long-term growth funds which have generated rates of return that have been significantly higher than the 8 per cent payout they have chosen.

Last of all, make sure that your investment portfolio is diversified. Have a plan in place to generate the income you need (if income is what you want) and make sure you take advantage of all tax-saving strategies available. Capital Gains is still the least taxed, whether you are a resident or non-resident, so make sure you use this type of investment growth in your planning. And don't be spooked by the markets. Stay the course and stay invested. We have just suffered one of the worst Bear Markets ever, and yet some funds have performed very well over the long-term, even through many international events such as the Gulf War, the Cuban Missile Crisis, the Vietnam War, the stock market crash in 1987, and now 9-11. The key is to stay invested in quality investments, not speculative ones. You will be well rewarded for your patience.

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# PARADISE FOUND

## *We live in a retirement paradise*



BY DICK AND PETER HODGES

BELOW TOP: THE OLD CHURCH  
BOTTOM: THE NEW CHURCH



Lake Chapala is Mexico's largest lake, some 80km long and 5km wide. It lies in a huge basin surrounded by a range of low, tree-covered mountains. On the northwest side of the lake is a narrow 25km stretch of land between the lake and the mountains which has been occupied for thousands of years. In the first decade of the 16th century it was discovered and settled by Spanish conquerors. Several towns and villages now lie in this area, centred around the ancient town of Ajijic. Proof of the town's age is found in the two village churches, known locally as the "old church" and the "new church": the former is 400 years old, but the "new church" is a mere three centuries old!

One of the most pleasant aspects of living here is the warm and courteous nature of the Mexican people. We expatriates are genuinely appreciated for our ongoing contributions to the local community. After all, Canadians and Americans have been retiring down here for 60 years. Indeed, this is the largest expatriate community of Canadians and Americans in the world. We know a good thing when we find it.

There are usually several compelling reasons for making the decision to take up residence in a foreign country. For snow-bound Canadians, climate is one of them. The Lakeside climate is rated among the best in the world. It is in the tropic zone, but at one mile high it has moderate temperatures averaging 23°C, with little variation from one part of the year to another. There is practically no humidity, even in the rainy season,

which extends from June to September. And our rainy season is like Camelot's: thunderstorms at night, sunshine during the day. The rest of the year is dry, with glorious sunshine every day. You can play golf 365 days of the year.

The Mexican government welcomes foreign retirees because we bring foreign currency into the country. Some Canadians have chosen to live here to lessen the tax burden they were faced with in Canada. This is a significant component of the cost of living which, because it is lower here, is another reason many people choose to take up residence in Mexico.

One of the delights of the Lakeside area is the beauty of the landscape. There must be a thousand varieties of flowers, shrubs and trees gracing the roadsides and gardens, especially in the suburban communities. Our street is called Calle Jardines, or Garden Street, because it is lined on both sides with beautiful flowers and shrubs. As the growing season never ends there is always an array of colour everywhere you look. The flowering trees such as the blue-violet Jacaranda, the orange Flamboyant, the yellow Cassia and the orange African Tulip Tree are simply spectacular.

Housing, both rental and purchase, is handled almost the same as in Canada. There are several real estate companies here with experienced Canadian, American and Mexican agents to help you. Come to think of it, we know Belgian and German agents too, so it is a truly international business. The firms oper-



LAKE CHAPALA – MORNING VIEW WEST



PUREPECHA DANCERS

Above Photos: Ute Hagen

## fondly called “The Lakeside.”

ate an efficient multiple listing service for customer convenience, so there is never a problem finding many suitable properties to inspect.

If you’re considering buying and relocating here you will find it advantageous to visit on a tourist visa, which you fill out on the plane and hand in on arrival. The tourist visa is good for up to six months, and if you decide to stay longer it can easily be changed to an annual visa with the help of a local lawyer and at very reasonable cost. (For those planning a visit, we recommend staying at the Lakeside guest house of former Albertan Connie Kimmitt. Information: <[www.elsueno.ca](http://www.elsueno.ca)>.)

All of the infrastructure we are accustomed to in Canada is in place here, so there is no culture shock to absorb. Even the language is not a barrier, as most tradesmen and storekeepers speak English.

Another area of concern when contemplating moving to another country is health care. Mexico has a national health insurance system that covers all circumstances, and expat residents are welcome to participate. The system works like an American Health Maintenance Organization (HMO), and for this complete care scheme we pay the peso equivalent of about \$400 per annum. The Lakeside has four excellent private clinics, and the one in Ajijic is

really a small hospital. Guadalajara has four first class modern hospitals, two of which are teaching hospitals for medical students, many of whom are Americans. Everyone speaks English. In addition to the Chapala Red Cross, each Lakeside clinic also has its own ambulance.

Shopping here is a breeze. There are weekly markets in Chapala (Monday), Ajijic (Wednesday), and Jocotepec (Thursday). Each market is a bustling street lined with booths selling all manner of things as well as fruits and vegetables fresh off the farm. Because there is no winter, this goes on every week of the year. We are continually surprised, after living here for three years, that we so seldom have to go into the big city of Guadalajara for anything. There is a small strip mall nearby consisting of a supermarket, liquor store,

butcher shop and confectionery store, all neatly arranged in a row for our convenience. Beer is \$15 (CDN) for a case of 20. Walmart, Costco and other large department stores are in “Guad,” selling all manner of reasonably priced American goods, aided, of course, by the NAFTA agreement. So we can get virtually anything we can think of here, even Star Choice television for all the Leafs and Bluejays games!

The airports here in Mexico are completely modern and functional, and employees speak English – the international language of flight. Not nearly as many Mexicans, per capita, fly as often as we do, so the airports are not very crowded. The Guadalajara airport is conveniently located between the city and the Lakeside, so we don’t have any city traffic congestion to contend



AJIJIC MARKET



**ENJOYING THE COMPANY OF FRIENDS**  
with when going there or returning. The 20-minute trip is on a good four-lane divided highway.

Driving here at Lakeside is no problem. The main road along the north side of Lake Chapala feeds the many villages and suburbs. The side streets are cobblestone, but we get along fine in our Mexican-built Chrysler four-door sedan.

Driving here from Canada takes about a week and reports are that, although it can be tiring, it is very interesting. Driving means you can have your own car all winter, as well as more of your personal goods than you can bring by plane.

There is a normal banking system here, and there are automatic teller machines where you can get money “out of the wall.” ATMs are conveniently located in supermarkets and drug stores as well as banks, so you can draw on your Canadian account with the same ease as at home.

We are sometimes asked what there is to do here in Lakeside. The centre of activities is a wonderful organization called The Lake Chapala society (LCS), founded in 1955, which has a membership of 2,600. In addition to a number of important charitable functions, the Society has several clubs, groups and services among which are: health related programs and services such as blood pressure checks, eye exams, hearing aid services, diabetic testing, etc.; weekly meetings of various groups or clubs for such interests as computers, digital cameras, great books, ham radios, life long learning, films, meditation, writers, poetry, etc.; information sessions and services dealing with

immigration, life and health insurance, newcomers’ lectures, consular visits by officials from Guadalajara, and, last but not least, a 25,000-book lending library. The Library’s Reference and Reading Room has recently been refurbished and is a pleasant place to sit and read. In addition to reference texts, it also has newspapers and magazines.

Apart from the LCS there are many other organizations. There are Rotary Clubs in both Ajijic and Chapala, Masonic Lodge #31, Canadian Club of Lake Chapala, Shrine Club, Garden Club, Hash House Harriers, Opera Buffs, Overeaters Anonymous, Red Cross Volunteers, Tai-Chi, and the Lakeside Little Theatre which puts on excellent plays and musicals. There are two golf courses, one nine-hole and one eighteen-hole with a great clubhouse.

Got to run now: the Leafs-Oilers game is starting on Star Choice!

**Dick and Peter Hodges** are retired Canadian civil servants.

## Leaving or coming to Canada?

# Beware

## The tax man may want more than you think...

If you are planning on making a long term move, don’t ignore your tax issues. Without proper planning, these tax liabilities can become an unwelcome surprise.

We deal with such questions as:

- ◆ Have you severed enough ties to become a non-resident?
- ◆ Do you have continued responsibility for Canadian tax as a non-resident?
- ◆ Do you know all the tax consequences of migrating to or from Canada?
- ◆ Will your tax returns be properly prepared?

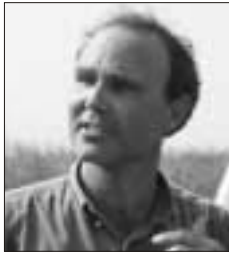
Talk with **Garry Duncan**, Co-author of *Canadians Resident Abroad*, at **416-369-3062**.

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Chartered Accountants  
and Consultants



BY DR. MARK WISE

# Your Travel Meds

## PRE-TRAVEL INOCULATION

While it's not the only topic of concern to the potential traveller, the matter of pre-travel inoculation – or, “What shots do I need?” – seems to create the most anxiety and confusion in the minds of travellers, and some medical personnel as well. Some people think that with a few jabs, they are immune to everything to which they might be exposed. Not true! In fact, infectious diseases account for only a small proportion of the morbidity (sickness) and mortality (death) in travellers.

Having said that, immunization is an extremely effective way of preventing many of the infections to which you might be exposed – so effective, in fact, that if you stepped on a rusty nail in Nepal, had unsafe sex throughout China, drank all of the local water in India, and got bitten by mosquitoes throughout the Amazon, you still wouldn't come down with tetanus, hepatitis A or B, or yellow fever, if you were properly immunized. I wouldn't recommend all of these behaviours – just trying to make a point! If we had vaccines against tuberculosis, HIV/AIDS and malaria, and made full use of some of the ones we do have, the world would be a much healthier place.

When you receive a vaccination, you are not, as many people believe, receiving a small dose of the actual infection. Rather, you are being injected with something that closely resembles the actual virus or bacteria. This, in turn “tricks” your immune system into

producing antibodies against the “real thing.” If and when you are actually exposed to the infection, your immune system will recognize it, and the antibodies you have will prevent you from becoming ill.

We have lots of vaccines for the traveller, especially for the longer-term expatriate working and living abroad. However, the ones we recommend will depend upon each person's risk, and that would in turn depend upon:

- your destination(s);
- the duration of your stay and time of year;
- whether you will be living in luxury or poverty, and in urban or rural areas;
- your age;
- any underlying medical conditions that you might have, such as allergies, pregnancy or HIV/AIDS.

So, for example, looking after gold mining operations throughout West Africa for a few years would make you a high-risk traveller, while manning the embassy in the Bahamas would be much lower risk. Most of you will fall somewhere in between.

To simplify things, for you and your travel doctor or nurse, we divide all of the shots into those that are routine, required, and recommended. Routine vaccinations, that is, the ones we should keep up to date whether we travel or not, include tetanus-diphtheria-polio (TdP), measles and pneumonia.

Yellow fever vaccine is the only international requirement you might come across. It is a risk in sub-Saharan Africa and tropical South America. You will need to receive this one at a World Health Organization-designated travel clinic, and carry a special card showing that you have

received the vaccine. Most of the available vaccines fall into the recommended category, depending upon your risk factors. Typhoid fever and hepatitis A are transmitted through infected food and water. Hepatitis B is a risk to those who might be exposed to unsafe blood or medical care, and unprotected sex. While we do not anticipate these things, they have been known to occur! Other vaccines that might be appropriate include rabies, Japanese encephalitis, cholera (rarely), and meningococcal meningitis. A TB skin test, while not a true vaccine, may be another important item before you depart. The duration of protection from each particular vaccine differs, and you should receive this information when you visit the clinic.

Not everyone requires or needs every vaccine. You should discuss the nature of your travels at a travel clinic to see what applies to you and your family. Contrary to popular belief, no vaccines are needed to get back into North America.

Nothing is totally free of side effects, and these vaccinations are no exception. Thankfully, our vaccines have improved over the years, and most people will experience only some soreness at the site of the injection(s), and perhaps some mild flu-like symptoms. Allergic reactions may also occur, as can the odd fainting spell, particularly in the overanxious, overdressed and underfed! Several vaccines may be administered at the same visit, which might add a bit to the discomfort, but will allow you more time for things like packing.

You will likely have heard stories that certain vaccines such as measles

*Your Travel Meds, continued on page 22*

# Whom You Should Notify

## When Departing Canada



By Tony Schweitzer and Graham Turner

A question that is asked frequently by individuals who cease to be residents of Canada is, Whom should they notify? This is an important factor that the Canada Customs and Revenue Agency (CCRA) will consider in determining whether an individual intended to permanently sever all residential ties with Canada at the time of departure.

CCRA states that in determining whether an individual intended to permanently sever all residential ties with Canada it will consider, amongst other things, “whether the individual took into account and complied with the provisions of the (Canadian Income Tax) Act dealing with the taxation of: (a) persons ceasing to be resident in Canada, and (b) persons who are not resident in Canada.” By way of example, CCRA states<sup>1</sup> that it will review whether the individual has complied with Canada’s “departure tax” rules. More specifically, as evidence of an individual’s intention to cease to be a resident of Canada, CCRA will look at whether the individual complied with the obligation to pay or post acceptable security with respect to the “departure tax.”

An individual who ceases to be a resident of Canada will be deemed to have disposed of all property at fair market value, subject to certain exceptions outlined below. Generally, one-half of the capital gain must be included in income. The capital gain resulting from this deemed disposition will therefore generally be subject to tax in Canada. This tax is commonly referred to as the “departure tax.” The departure tax rules apply to property including shares of public/private Canadian/non-Canadian corporations, personal property as well as real estate situated outside Canada. The departure tax rules do not apply to real estate situated in Canada.

There are a few exceptions to the departure tax rules. For example, if an individual is resident in Canada for less than 60 months in the 120-month period preceding the disposition, then the rule is generally not applied to property owned by that individual when that individual came to Canada nor to any property acquired by inheritance after that individual became a resident of Canada.

An individual may elect to defer the payment of the departure tax by providing adequate security. No security need be provided for the tax payable on the first \$50,000 of taxable capital gains. In certain circumstances (specifically in cases of undue hardship) it is possible to negotiate with CCRA as to the type, and amount of security.

An individual who leaves Canada must also comply with the “reportable properties” reporting obligation. An individual who ceases to be a resident of Canada must list in a prescribed form “reportable properties” which the individual owns where the total fair market value of the properties exceeds \$25,000. Reportable properties do not include property such as cash, rights to pension and profit sharing

plans and property owned by an individual who is resident in Canada for 60 months or less, or property which that individual inherited while that individual was resident in Canada. Personal use property (i.e., property owned by a taxpayer used primarily for personal use or enjoyment including “listed personal property”) is excluded from this reporting obligation, unless the item of personal use property has a fair market value of \$10,000 or more.

CCRA further states<sup>2</sup> that in determining whether an individual intended to permanently sever all residential ties with Canada it will also take into account whether any Canadian residents making payments to that individual were informed that the individual intended to become a non-resident upon leaving Canada, with the result that certain payments made to the individual after that time become subject to non-resident withholding tax. These payments include interest, dividends, rent and pension payments.

CCRA also invites but does not require individuals to complete and submit Form NR73<sup>3</sup> upon leaving Canada. The decision to submit the form should not be undertaken without careful thought. Based on the answers to the questions in Form NR73, CCRA will determine whether an individual would be considered to be a non-resident of Canada for income tax purposes.

Finally CCRA allows individuals to request a ruling as to whether they would be considered to be non-residents of Canada. When requesting such a ruling, it is necessary to disclose all relevant facts. Generally, the ruling is binding on CCRA, subject to certain conditions. A decision to submit a ruling request in this regard should not be undertaken without careful thought.

An individual who ceases to be a resident of Canada should notify others, including financial institutions, of their intention. It is prudent to send written notification of this to as many persons as possible. This notification also includes compliance with the “departure tax” rules. Such notification is evidence that the individual intended to cease to be a resident of Canada.

<sup>1</sup> See paragraph 12 of Interpretation Bulletin IT-221R3 “Determination of an Individual’s Residence Status.”

<sup>2</sup> Paragraph 12 of IT-221R3.

<sup>3</sup> NR73: Determination of Residency Status (Leaving Canada).

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# When EXPATS become REPATS

Coming home to

# Culture Shock

When Canadians consider an international transfer or career opportunity, they typically prepare for some culture shock on arrival at the new location. But people seldom consider the challenges of repatriation at the end of an overseas stay. Yet the challenges are real, and may leave repatriates feeling like expatriates in their own country.

With international relocations, we have seen very positive trends and corporate policies developed to help relocated employees and their families adjust to their new country's surroundings and environment. Increasingly sophisticated destination and settling-in services and resources are geared to help expat employees and their families manage this culture shock. Assistance is available for everything from pre-destination language and culture training, to advice on daily home life, education planning for expat children, information on local customs and laws, spousal assistance and support – even assistance with handling the bureaucratic red tape required for such necessary chores as signing up for utilities or obtaining a driver's licence.

Many global corporations include settling-in and destination programs, as well as covering the traditional moving expenses, to ensure that the employee is able to focus on the new job without undue distraction and stress. The better the preparation, the easier the adjustment and therefore a faster, happier road to productivity.

In addition to corporate international programs and policies, employees abroad

find other resources to help manage the culture shock. Generally, they can turn to colleagues who have been in the same situation. As well, in most countries Canadians find expat communities that speak the same language. To a great degree, informal expat communities act as support groups, helping new families adjust to their adopted home.

But what about coming home to Canada? This is a culture shock that is rarely anticipated and therefore rarely prepared for. Most Canadian expats eventually relocate back to Canada. Overseas postings tend to average only three to six years, but returning home after an absence of even a few years can be a jolt, with a host of changes in the workplace, city, neighbourhood and lifestyle environments to be adapted to.

"The past is a foreign country. They do things differently there," wrote British author L.P. Hartley. Repatriating can seem in many ways like entering a foreign country, considering the kind of changes that can occur in Canada in just a few years.

- Your company may have changed, with new organizational structures at the home office, staff turnover, new businesses, new workplace policies and rules. Some expats find that they have fallen off their company's radar screen in terms of their career path, perhaps, for example, because the boss who arranged the international posting in the first place is no longer with the company.



BY DONNA BERGLES, CRP

- Neighbourhoods and real estate market conditions have undoubtedly changed. An expat's former neighbourhood may have become too expensive, or may have undergone transforming development, or may no longer have the same shops and facilities it used to have.

- Spousal career prospects may have changed dramatically after an absence from the workforce of even a few years. As the spouse who has put his or her career on hold to follow a mate to a foreign land, it's not always easy to pick up where you left off.

- The health care system has changed significantly in recent years in most Canadian provinces, with government cutbacks and waiting lists for many hospital and medical services. It can be a challenge to even get on the list of a family practitioner or a dentist in some Canadian localities on returning home.

- Education and schools programs have changed in many communities, again due to government cutbacks and restructuring. Some schools have closed, others



have become overcrowded, and most have seen cutbacks in materials and supplies as well as after-school programs and activities.

- Basics such as utilities may have changed. For instance, several provinces have moved to market-based electricity rates, resulting in generally higher prices and new contracts with a choice of suppliers.

These examples give a cross-section of the kind of changes that repatriates will encounter, and that could create considerable reverse culture shock if the returnees are unprepared. Most people who are repatriating don't even consider the need for relocation services, outside the actual moving of the family and household goods, and possibly help with finding temporary housing. The need for settling-in services in Canada for Canadians is the most underrated aspect of any international relocation.

Can anything be done during the foreign assignment to ease the various shocks of the transition back to Canada? The first step is just to be aware of reverse culture shock and how it can dampen and

complicate the return. Second, it is vital to keep in touch with home. Stay connected with colleagues at your former Canadian headquarters. Keep up-to-date with changes in the corporate landscape. Maintain contact with business networks and professional associations. Stay in touch with neighbours, family and friends. Subscribe to Canadian magazines and newspapers from your home town or city.

Fortunately, e-mail and the Web make the process much easier than it used to be. Most major newspapers and broadcast media have Web sites providing daily news wrap-ups. Many professional associations and even neighbourhood organizations, clubs and sports teams have Web sites as well. Visiting Web sites and corresponding by e-mail for an hour or so a week can make all the difference to a successful repatriation.

Living in a different country is the opportunity of a lifetime. That experience will be even better if it is accompanied by an awareness of the challenges that repatriation will cause.

**Donna Bergles**, a 20-year veteran of the relocation industry, is the resident international expert at **Royal LePage Relocation Services**, overseeing more than 300 international relocations annually. Donna Bergles is based in Toronto and may be contacted at: Tel. 416.510.5619, Fax 416.510.5663, E-Mail <dbergles@royallepage2.com>, Web site <www.relocationsolutions.ca>.

*Your Travel Meds, continued from page 19*

and hepatitis B may be associated with autism and multiple sclerosis, respectively. Extensive medical studies have not borne out these risks. Some of the infections against which we vaccinate, such as yellow fever, meningitis, hepatitis B or rabies, have very high mortality rates or serious complications. Typhoid fever or hepatitis A are rarely fatal, but won't add much pleasure to your stay overseas. The benefits of the vaccines by far outweigh any risks in most situations.

So roll up your sleeve, take a deep breath, and make an appointment at your local travel clinic to get some of the protection you deserve before you go away.

For more information about vaccine preventable diseases, you may want to visit the Web sites of Health Canada ([www.hc-sc.gc.ca/pphb-dgspsp/tmp-pmv/pub\\_e.html](http://www.hc-sc.gc.ca/pphb-dgspsp/tmp-pmv/pub_e.html)) or CDC ([www.cdc.gov/travel](http://www.cdc.gov/travel)).

**Mark Wise** is a Family Doctor based in Thornhill, Ontario. He is the Medical Advisor to Voluntary Service Overseas (VSO), a Canadian non-government organization sending volunteers to lesser-developed countries. He runs **The Travel Clinic**, and is the author of *The Travel Doctor - Your guide to staying healthy while you travel* (see review, page 26), recently published by Firefly Books and available in most bookstores, as well as on-line. Mark Wise may be contacted at: <markwise@rogers.com>.

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THE 15TH CENTURY ENTRANCEWAY TO CCI

Semestered and co-educational, the school delivers an academically rigorous curriculum in a structured environment where all students live in residence. This learning and living at CCI unfolds in the birthplace of the Renaissance, where today’s knowledge-based civilization began. Students directly experience antiquity, the middle ages, the Renaissance and modern Europe, both formally, through regular organized trips with the school, and informally, through daily life in a modern town sensitively aware and conserving of its more than 3,000-year history.

Classroom and book learning, on which the school places the highest value, are enhanced dramatically when students are studying in the very places where the events being examined took place. Through the many supervised regular trips, which underline the importance of travel as an inherent part of CCI education, students walk in the same



**TEACHERS & STUDENTS  
TOUR POMPEII**

streets, fields and buildings as the pre-Etruscans, Pompeians and Romans, emperors and popes, Raphael and Michelangelo.

The school is located in Lanciano, an ancient-yet-modern, well-serviced city of 40,000 in eastern Abruzzo,

beautifully situated between the ocean and the Apennine Mountains and providing students a friendly, safe and charming environment in which to live and learn. About 15 minutes' drive to the sand or stone beaches of the Adriatic Sea, and less than three hours' drive from Rome, Lanciano has excellent train and bus service to all of Italy and Europe.

Lanciano has carefully preserved many artifacts, fossils and architectural elements from all eras of its long history. Called "Anxanum" in Roman times, it became a centre for trading and fairs in the medieval and Renaissance eras, then fell into the isolation typical of Abruzzo and other rural regions before later playing its part in the Risorgimento ("resurgence"), Italy's 19th-century unification under Garibaldi and Cavour), and the two world wars of the 20th century.

With a friendly, heritage-conscious citizenry and council, and recent government-aided development of industry and tourism throughout the local area to supplement its basic

vegetable, olive and wine economy, Lanciano is one of modern Italy's most pleasant and comfortable places to live in.

CCI students follow a challenging, university-focused academic curriculum which includes mathematics, computers, classical civilization, chemistry, physics, biology, social science, English, art and drama. All courses are taught in English, except for international languages.

The school offers high school grades 10 through graduation, as well as Advanced Placement (University/College preparatory) courses. Students may enroll for a single semester or for up to three academic years (two semesters per year). Courses conform to the accreditation guidelines of the Ontario Ministry of Education, and credits may be applied toward a high school diploma at institutions throughout North America and abroad. The school also offers summer academic credits on campus during the month of July. CCI is inspected by the province of Ontario, Canada, whose requirements parallel or exceed most other North American jurisdictions, and is a member of ECIS, the European Council of International Schools.



**"MEDIEVAL FESTIVAL" – ONE OF MANY IN VIBRANT LANCIANO**



**TEACHERS & STUDENTS IMMERSSED IN VENETIAN CULTURE**

CCI selects its professional teaching staff, all of whom possess the required teacher's qualifications, for their commitment, interest and previous training in their subject areas. Staff are also chosen for strong teaching capability, devotion to students' needs and interests both in and outside of school hours, and a willingness to assist and lead the extracurricular life of the school.

Since CCI began, student response to this professional interest and personal dedication has been very evident, often rewardingly expressed in sustained, and occasionally completely reborn student commitment to studies and academic excellence. The overall teacher-to-student ratio of one-to-twelve ensures



that extensive individual attention is available for every student.

CCI places high importance on carefully counselling students in the preparation of their applications to universities and colleges to ensure the institutions are appropriate to the student's ambitions, academic potential and personal characteristics. With a strong background knowledge of international universities, CCI's guidance department devotes whatever hours necessary to carefully analyzing and explaining to each graduating student the programs and nature of the universities/colleges recommended for consideration.

CCI's main building is a four-storey medieval structure centred around a bright, covered atrium that rises the full four storeys. With modern bathrooms, plumbing, electric and



**STUDENTS BENEFIT FROM A 1-TO-12 TEACHER-TO-STUDENT RATIO**

lighting systems, CCI houses three floors of computer-lab, library, classrooms and offices around the central atrium, with the archives of the Lanciano community occupying the other floor.

To accommodate up to 120 students, CCI maintains multi-level residences. Each residence customarily develops a "mini-family" (sometimes more than one) inside the school community. The family atmosphere is encouraged and fostered as important in making each residence a home-away-from-home as much as possible.

The residences also create, in effect, a "house" system, similar to that of independent schools in Europe and America. Whatever the family feeling and house loyalties, the residence management and operations are rigorously professional. During after-school hours, each residence is overseen by senior and accessible live-in dons who are employed specifically to manage residences, or by teachers with residence responsibilities as well as their course work. Strict though the residence rules are, and difficult as the adjustment to living with someone else may seem at first, it is invariably the residence experience, with its friendships, necessary accommodations, agreements, understandings and overall bonding, that students report they remember and continue to treasure as an enriching part of their CCI lives.

For meals, the school maintains the "Allegria," an inn where students eat in dining rooms that accommodate up to 200 people. CCI students enjoy an excellent Mediterranean diet featuring much pasta, vegetables, salads and olive oil. The Allegria also has recreation rooms where students can relax,



**ENJOYING SUNDAY BRUNCH AT THE ALLEGRIA**

play, and present drama and comedy skits. There is also a coffee bar centred around a large, corner fireplace. At onetime a hotel, the Allegria has eight bedrooms that are let to visiting parents or guests of the school, who are also welcome to dine with the students.

CCI's mission is to inspire its students – through rigorous teaching and sensitive, collegial mentoring – to actualize their highest intellectual and moral potential and become fully prepared for effective university study and responsible adult life, while living communally at the historic centre of modern civilization. A tall order, but one which CCI fulfills admirably.



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# THE TRAVEL DOCTOR: YOUR GUIDE TO STAYING HEALTHY WHILE YOU TRAVEL

Author: Mark Wise, M.D.  
Firefly Books Ltd., Toronto 2002  
<www.fireflybooks.com>  
\$14.95 (CDN)

REVIEWED BY ELIZABETH PECK

Staying healthy while far from home is essential to a successful trip. Dr. Mark Wise's new book, *The Travel Doctor: Your guide to staying healthy while you travel*, is an easy-to-read, comprehensive resource for both short- and long-term travellers.

Based in Markham, Ontario, Mark Wise is a family doctor who specializes in travel and tropical medicine. His passion for travel dates from the mid-1970s when he "spent three months backpacking through South America in search of Butch Cassidy's resting place." Since then, he has travelled extensively and provided pre-travel advice to thousands of travellers.

Mark Wise's enthusiasm for travel distinguishes this from more clinical travel health books on the market. The author's goal is to prepare us for life in other, often lesser developed parts of the world, without fostering a fear of tropical diseases and parasites which could deter us from the adventure of a lifetime.

In his view, "with a little bit of knowledge, common sense and luck," we are unlikely to encounter most of the infections and conditions he describes, but it is better to be prepared. As he puts it, "I strongly believe that all travellers should be equipped with knowledge of the health risks to which they may be exposed. A well-informed traveller is more likely to be a healthy traveller." The tone of the book is sensible

REVIEWS BY ELIZABETH PECK, ALAN & GYDA WEEKS

## Under Review

and reassuring, with a humorous twist which really helps to make the medicine go down. Key points are highlighted at the end of each chapter and related Web site addresses are provided for further research.

The book is intended to be used before, during and even after travel. In the planning stage, Dr. Wise recommends establishing an active partnership with a travel medicine specialist who can help you to assess your own degree of risk. Appropriate precautions and preparation may vary, depending on such factors as your destination, the purpose and duration of your trip, your health, and whether you will visit urban or rural areas. The author pauses frequently to remind us that we have a measure of control over our own destiny, pointing out that "Pre-travel advice should be about much more than just needles and pills. You should learn how your own personal behaviour can greatly lessen the likelihood of most infections and other catastrophes."

*The Travel Doctor* provides practical information on first aid, useful supplies and accessing medical care abroad. There is a comprehensive region-by-region guide to health risks around the world. Chapters on specific illnesses such as malaria endeavour to dispel myths and separate fact from fiction. In addition, as the author points out, not every risk is from infection – road accidents, for example, are a major killer in many countries. The book looks at other travel-related challenges, such as jet lag and culture shock as well as the specific concerns of groups such as business travellers, women, children and those with existing medical problems. Finally, *The Travel Doctor* alerts the

reader to travel-related health issues which may not arise until after you return home.

Throughout *The Travel Doctor*, Mark Wise emphasizes one piece of advice: "Use your common sense. It's the most important thing you can take along."

Pack a copy of this book as well and you should have a great trip.

## POTHOLES TO PARADISE

Author: Tessa Borner  
Silvio Mattacchione, 2001.  
<www.amazon.com>, <www.amazon.ca>,  
<www.mimosa.co.cr>  
\$16.95 (CDN)



REVIEWED BY ALAN & GYDA WEEKS

This well-written book presents a balanced picture of both the favourable aspects of living in Costa Rica, as well as the not so nice ones, referred to as "potholes."

The writer relates, in an easy-reading style, her family's personal experiences over a number of years, starting with why Costa Rica was selected as the "ideal place to live and eventually retire." To provide a broader range of experiences, Borner has cleverly added a number of interesting and revealing excerpts from acquaintances.

The basic facts about Costa Rica, including current requirements for obtaining residency, are provided in *Potholes to Paradise*. There are tips on travelling to and getting around the

country. In addition, many benefits of living in Costa Rica are documented. These include:

- very accessible, affordable, quality health care;
- excellent and cheap dental care;
- a moderate climate, year-round;
- friendly and accepting locals;
- reasonable tax rate;
- available and affordable household help;
- a total lifestyle change;
- a wide variety of places to visit including many beaches, rainforests with abundant wildlife, and an active volcano;
- lush surroundings with flowering plants and trees and a wide variety of birds and butterflies.

This book relates Borner's family's personal experiences in locating, building, and operating a B&B in a rural, mountainside setting in the Central Valley. Examples are also provided of environmental and local support issues that earned their B&B, "Posada Mimosa," a high rating. The Borners are obviously proud to include comments from their B&B guests on the beautiful surroundings and warm hospitality.

Anyone thinking about acquiring real estate and/or building a new home in Costa Rica should read and learn from this book. One needs to be aware of the many diverse issues involved and careful to avoid costly mistakes.

An important topic this book covers well is that moving to a foreign country requires a difficult adjustment and is not for everyone. It is particularly true for those who have only lived a structured lifestyle in Canada or the United States. As Borner states, "Unless you can be flexible, put up with the frustrations and live with them, you're not going to make it in this country; it's just not possible." Those who can't make the adjustments soon get frustrated, "throw up their hands, say to hell with it, and move back."

By reading about the wide range of experiences presented in *Potholes to Paradise*, prospective residents of Costa Rica will get an excellent preview of what living here is really like. They are forewarned that most will experience five stages of culture shock, including the urge to go back, before Costa Rica finally becomes "home." Newcomers need to be patient and flexible. And, says Borner, "We hope the information will help you avoid making some of the mistakes we made."

Reading this book brought back vivid memories of our own and friends' similar experiences while settling in to live here. We highly recommend *Potholes to Paradise* to anyone contemplating living and retiring in Costa Rica. It should also be useful for those about to reside in other Latin American countries where they will likely experience the same "shock" and "pothole" issues.

One aspect of this book should be updated for Canadians. Since the 1994 reference to Canadian clubs, a lot of effort has gone into developing a single, strong, more inclusive

organization in Costa Rica. The club continues to provide opportunities for newcomers to network, socialize and make new friends. But, in addition, many well-established club members put time and effort into projects such as to aiding needy local children. This club program, now supported by the Canadian Embassy and the Canadian International Development Agency (CIDA), is certainly enhancing the image of Canadians in many local communities.

Alan & Gyda Weeks operate **International Market Consultants, SA** in San José, Costa Rica. They may be contacted at: Tel. 506.257.6646, Fax 506.288.8679, E-mail <agweeks@amnet.co.cr>.

## Don't get sick while you're away!

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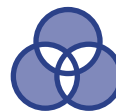


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BY LALESCKA SCHREIER

# Moving Right Along...

## SAVOURING MONTREAL AND LA BELLE PROVINCE

Montreal was the host to Expo 67 and the 1976 Summer Olympics. It is also the home of Intermove Canada, a Division of AMJ Campbell International, very active in the international relocations of Montreal families to and from countries all over the world.

For those who know Montreal and Quebec but are now far away, here's a reminder of why you must come back. For those of you who don't, here's a taste of what you'll one day find!

### Quebec

Founded in 1608, the Province of Quebec is North American by geographic location, French in origin and culture, British in its parliamentary system and increasingly cosmopolitan due to recent flows of migration.



SKATING ON BEAVER LAKE IN MOUNT ROYAL PARK

The territory of Quebec is three times the size of France and five times that of Japan. Forests cover half the province, networked with a million lakes and rivers, the biggest of the latter being the St. Lawrence, one of the world's greatest, and the thoroughfare to all the Great Lakes.

Quebec has a population of 7.4 million inhabitants, nearly a quarter of the Canadian population. Approximately 80 per cent of Quebecers live along the St. Lawrence River. The Aboriginal peoples, numbering about 72,500, represent 1 per cent of Quebec's population. Greater Montreal accounts for more

than 50 per cent of Quebec's population.

The languages spoken in the province break down to 82.8 per cent French, 10.8 per cent English, and 6.4 per cent other (Italian, Spanish, Arabic, Chinese, Greek, Portuguese, Vietnamese, among others). Half of the work force is bilingual (French-English) and this proportion rises to 65 per cent in Montreal, where more than 16 per cent of the population are fluent in three languages.

Within the Canadian economy, Quebec represents 50 per cent of information technologies, 50 per cent of aerospace production, 45 per cent of the pharmaceutical industry, 40 per cent of biotechnology companies, and 38 per cent of all Canadian high-tech exports. The province also produces 15 per cent of the world's aluminum and 15 per cent of its newsprint. In trade, mostly with the U.S., U.K., Japan, France and Germany, Quebec imports approximately \$45.4 billion and exports approximately \$52.4 billion, annually.

Education is modern and accessible, with nearly 40 per cent of the population now between 25 and 60 years of age having pursued post-secondary studies, one of the highest rates among OECD (Organization for Economic Cooperation



FALL VIEW OF MONTREAL SKYLINE

and Development) countries.

Quebec is the principal French-speaking society in the Americas. Besides being important to the economy, the arts, culture and communications are strategic because of the province's need to promote its cultural identity. Some commanding figures of Quebec's culture are: Celine Dion, Cirque de Soleil, Robert Lepage, Michel Tremblay, I Musici, and La La La Human Steps.

### Montreal

Mount Royal and the St. Lawrence River are the two main distinguishing features of the landscape of urban Montreal. It was founded as Ville Marie in 1642. Jacques Cartier, who visited the Indian town one hundred years earlier, gave the mountain the name of Mont Real – the origin of the city's name. Over three and a half centuries a simple religious mission has transformed itself into the world's major internal port, the #2 Francophone city in the world, and a great international metropolis.



OLD MONTREAL - RUE JACQUES CARTIER AND OLD CITY HALL

Montreal has been able to take advantage of its two cultural origins, French and English, to create a converging point for citizens from all over the world. Its cultural life is rich and full of creativity. A multitude of theatres, concert halls, cinemas, bars, cafés and discos attract people throughout the day and until all hours of the night. Shopping is also a great attraction, and Montreal is considered one of the

world's fashion centres.

Old Montreal – with its cobblestone streets where the sound of horse carriages still is heard, its lovely stone facades from the 18th and 19th centuries, and archeological discoveries dating back 350 years – becomes a great introduction to the history of the city. Nearby is Notre Dame Church, with its neo-gothic style and rich interior. The Old Port has been completely renovated



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VIEW OF MONTREAL JAZZ FESTIVAL

and become a very popular entertainment area attracting tourists and locals, especially during the summer months.

Summers in Montreal include boating, fishing, motorcycling, golfing, and baseball as well as the Jazz, Cinema, Theatre and Just for Laughs Festivals, Formula One Grand Prix racing, world class tennis tournaments, and, if you prefer, the solitude of cottage getaways situated on the various lakes in the area.

In the fall, the Eastern Township

vineyards provide tasting opportunities for the season's hottest wine choices and freshest cheeses, afternoon drives through the Festival des Couleurs in Valle Saint-Sauveur, the wonderful autumn colour palette of the mountains, and – if home-baked apple pies are more to your liking – there is always an orchard in sight with fall's varied assortment of apples ready for the picking.

The Montreal winter (simply staying warm could be considered a central

activity!) is packed with sports: hockey, ice skating, skiing, snowmobiling and ice fishing, to name a few. Mount Tremblant, a resort nestled within the mountains north of Montreal, offers cross-country and downhill skiing, wilderness walking trails, quaint boutiques and chalets with roaring fires to come home to.

With spring in Quebec, the ground finally thaws, life reappears. The sap is running and people visit the Sucrieries for the first maple syrup of the season.

Montreal is not just a changing of the seasons, though; it is also about culture, history, tradition and fine dining (in the hearts of Montreal and Quebec City the finest of French Cuisine can be found). Come, savour it all!

(Statistics information sources: Govt. of Quebec, Ministere des Relations Internationales.)

**Lalescka Schreier** is Sales Manager at **AMJ Campbell International**. She can be reached at: Tel. 905.795.5960, Fax 905.670.6684, E-mail <lschreier@amjint.com>.

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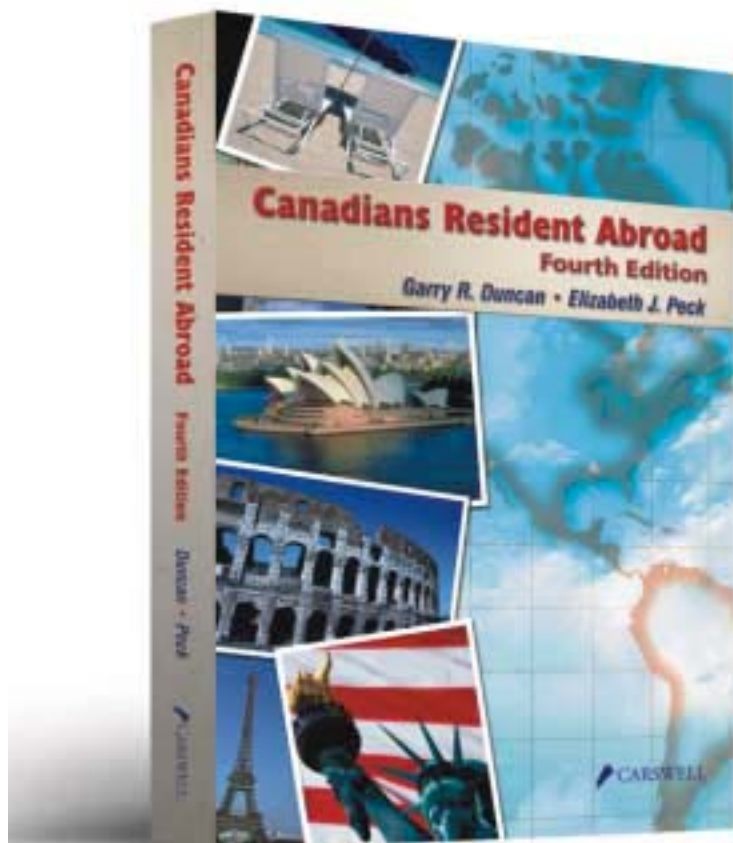
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