

Expatriate Assignment Issues: Employees



- **Career enhancing or a “dead end”**
- **Beginning of long term expatriation or short to medium term development assignment**
- **Remuneration**
 - Degree of assignment incentive and adequacy within the host country cost environment, including accommodation
 - Linkage to pensionable salary and superannuation guarantee
 - Taxation - including residency and impact of non-residency on any Australian investments and ESOPs
 - Flexibility and tax effectiveness
 - Loss of Australian capital gains tax exemptions/discounts
 - Currency of remuneration payment(s)
 - Health and life insurance - adequacy of coverage
 - Education costs - local and Australia/boarding
 - Access to tax and financial planning advice
 - Repatriation and Travel costs
- **Who is the legal employer?**
- **Pre-assignment visit**
- **Cultural compatibility, employee and partner, with host country**
- **Spouse/partner access to work in host country**
- **Visa conditions and duration**
- **Housing - quality, type and location**
- **Educational and health facilities in the host country/location**
- **Leisure facilities**
- **Base country visits - frequency and flexibility**
- **Security in host country**
- **Recognition of “total” service if separation should occur overseas**

Expatriate Assignment Issues: Employers



- **Professional, cultural and organizational “fit” of employee and spouse**
- **Remuneration**
 - Selection of remuneration base: base country plus expat allowances, local contract with expat benefits, pure local contract etc.,
 - Valuation of benefits
 - Pension arrangements – Australian and/or offshore, superannuation guarantee and certificates of coverage
 - Payroll responsibility and currency of payment
 - Tax compliance and effectiveness – base and host country
 - Life and health cover
 - Treatment of ESOPs
- **Legal**
 - “Secondment” or complete cessation of local (Australian) employment contract
 - Who is the contractual employer?
 - Applicable employment law and local statutory protection
- **Professional Development**
 - Maintaining ties between expatriate and seconding company
 - Responsibility for ongoing management and technical training
 - Re-entry planning
- **“Hygiene” Issues**
 - Offshore payroll
 - Relocation management
 - Housing
 - Education policy
 - Tax counselling
 - Cost sharing