

# 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
  - 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/boardings
  - 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, health and leisure 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 share options
- **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