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HONG KONG GUIDE

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Seldon Gill – supporting you every step of the way

Relocating to Hong Kong is an exciting but also a daunting prospect and so we have created this guide, full of fast facts and web links to more detailed information, to help you plan.

We have split the information into the below sections:

- Deciding to relocate – the career move
- You've been offered a role – what to expect
- You've accepted the role – the lead up to the move
- You've arrived in Hong Kong – what will life be like?
- Setting yourself up in Hong Kong – some practicalities
- What next?

As a leading recruiter in professional services, Seldon Gill has been placing people into the Hong Kong market from around the globe since 2005. We have an impressive network and alumni in Hong Kong which we tap into regularly to find career opportunities, information and helpful contacts for our relocating candidates.

Also, many of us at Seldon Gill have relocated for our careers at least once ourselves and can share our first hand experiences with you. We understand that the more information you have at your fingertips the easier and less stressful the move will be.

This guide will answer a lot of the questions we are often asked about Hong Kong by those who have not yet experienced it for themselves. We hope you find it practical and beneficial and that it helps you focus on your impending move to Hong Kong with more confidence about what to expect along the way!

If you have any questions whatsoever after reading this then please feel free to contact us:



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DETAILS OF PUBLISHING & DISCLAIMER

This guide was published in November 2011. Seldon Gill advises that each individual's situation is different and recommends that independent advice should be sought – particularly around financial matters such as tax and retirement provision. Seldon Gill accepts no responsibility for any decisions made as a consequence of this guide.

Deciding to relocate – the career move

It is important to understand before you start to interview for roles in Asia that the market, team structures and positions within it are not going to be a carbon copy of the current market you work in. Whether you are a marketing communications, BD, HR or operations specialist, Asia has historically been a market for generalists. However, there has been a trend over the last couple of years for the larger firms to develop more specialist roles as teams grow and the market develops. The professional services market in Asia is still evolving and your challenges will include bringing relevant best practice to your new environment and working cross-culture and cross-border. This is a big adjustment and a steep learning curve for most expat business support professionals and meeting these challenges is often where job satisfaction is derived.

WORKING WITH SELDON GILL

It's vital that you are open and clear about the following points from the outset of the application process:

- Your notice period and how quickly you will be able to relocate after this.
- Your salary expectations (taking into account Seldon Gill's advice about your worth in the Hong Kong market).
- Who would be relocating with you and if they are likely to relocate at the same time.

Changes to these points during the process or at the offer stage can cause frustration to your potential employer and are often difficult to resolve in everyone's favour.



You've been offered a role – what to expect

Whilst each offer will be different from the next and at a firm's discretion, the most common offers will include the below.

RELOCATION PACKAGE

When relocating to Hong Kong you will most likely be offered a relocation package by your new employer. This tends to include an economy flight (often one-way), accommodation in a serviced apartment for the first few weeks (usually 4 weeks) and a capped amount (often accessible through the provision of receipts) in order to relocate your personal belongings.

Some employers will provide flights to relocate a partner and family but this will depend on firm policy and the individual's circumstances – this is not standard. It is sensible to ask Seldon Gill about each firm's relocation policy during the interview process as they do vary.

Once relocated to Hong Kong you will be on a local contract as opposed to an 'expat package', meaning all expenses are paid and controlled yourself out of your wage.

Most firms will pose conditions on the relocation package with the most common being: a claw back provision if you leave the firm within a specified time frame; and, temporary accommodation only being available for the full period offered if you are actively seeking alternate accommodation.

EMPLOYEE BENEFITS

Annual leave: Firms vary in what they will offer but it is common to receive between 15-22 days annually depending on the firm and level – with the middle of this range being most common. It is worth noting that there are 17 public holidays in Hong Kong to take advantage of!

Health / Dental: Many firms will offer health and dental cover (at a senior level this can sometimes cover your partner as well but this is not standard).

Bonuses: These are usually discretionary and we have seen these being paid at between 0.5-2 months' bonus depending on firm, level and performance.

Saturdays: Most employment contracts will include the provision to work on Saturdays as standard wording. However, at the majority of firms Seldon Gill works with, this would be an occasional occurrence. It is sensible to ask during the interview process how often weekend work is envisaged.

Maternity leave: This will be a firm policy and so will not be covered in your paperwork. By law, employers in Hong Kong are required to provide 10 weeks' paid maternity leave to employees who have been employed for 40 weeks. However, policies will vary firm to firm.

FOR MORE INFORMATION

Employee benefits and labour law
www.labour.gov.hk/eng/faq/content.htm

You've accepted the role – the lead up to the move

VISAS & PERMITS

Work Permit

- You will need a work permit in order to enter Hong Kong for employment.
- Your new employer will manage the application process for you. Once you formally accept the offer, the firm will contact you directly with the application forms.
- The application process will take 4-6 weeks after which you can apply for a dependent visa for your spouse and children (under 18).
- The dependant visa will enable your spouse and children to study or work while in Hong Kong. A dependant visa is granted for the same period as your work visa.
- To apply, you will need to present passports, birth certificates, any marriage certificate, proof of income and a clean criminal record.
- Once approved, you will be issued with a visa label – this needs to be stuck onto your passport before entering Hong Kong.

FOR MORE INFORMATION

www.immd.gov.hk/ehhtml/hkvisas.htm

Hong Kong Identity Card

- Hong Kong residents aged 11 or above are required to apply for an ID card within 30 days of arrival.
- The identity card is necessary for all manner of day-to-day activities such as opening a bank account, applying for a credit card and obtaining a driving license.
- The first card is issued free of charge at any Immigration Department office – you will need to present your passport.

FOR MORE INFORMATION

www.immd.gov.hk/ehhtml/hkid.htm



You've arrived in Hong Kong – what will life be like

HOW HARD YOU'LL WORK

The culture in Hong Kong is one of hard work and whilst official hours tend to be 09:00-18:00, most professionals will work later and longer hours. For many, Hong Kong is somewhere to work hard and play hard and people understand this before choosing to relocate.

WHERE YOU'LL LIVE

Some common suburbs for expat business support professionals to live in are:

- Mid-levels
- Sheung Wan
- Pok Fulam
- Discovery Bay

Mid-Levels and Sheung Wan are the most central and the shortest commute to work.

Pok Fulam and Discovery Bay are popular with families as there is more space available at a more affordable price.

Often the first few weeks after relocating to Hong Kong is spent exploring potential suburbs and choosing the best one for you.

FOR MORE INFORMATION

www.expatarrivals.com/hong-kong/areas-and-suburbs-in-hong-kong

In Hong Kong it is often said that living more than a 15 minute commute from the office, is a long commute! (This makes the longer hours in the office less of an issue for most.)

RENTING AN APARTMENT

You are most likely to opt for Apartment style living: in Hong Kong living spaces are generally smaller than in countries such as the UK, US and Australia.

Whilst the majority of apartments are let unfurnished, part furnished and furnished apartments are available and newer residential apartments provide increased facilities such as squash courts, gyms, swimming pools and appliances. Older-style unfurnished apartments often come with no appliances while newer properties can come with air-conditioners and kitchen appliances.

Most people find their properties through a property agent and some well known ones are Midland Properties www.midland.com.hk/eng and Centaline <http://hk.centanet.com/eng/ehome.htm>.

It is usual to pay an agency fee.

A deposit will be required which is usually two months' rent (excluding the first month's rent) which is held by the Landlord (non-interest earning basis). The deposit will be refunded at the end of the lease (as long as the tenant has not breached the lease terms). Some firms will offer those relocating an interest free loan for the deposit to assist them in setting themselves up in Hong Kong. This is at a firm's discretion.

Additional charges may also apply such as government rates, management fees, government stamp duty, legal costs and rental of building parking space (though they are sometimes incorporated in the rental price).

Leases are usually for a period of 1-2 years which may include a break clause allowing the tenant to terminate with two months' notice. The break often only kicks in after the lease has run a year.

FOR MORE INFORMATION

Renting in Hong Kong

www.gov.hk/en/residents/housing/publichousing/#/en/residents/housing/private

Direct rental and housing advertisements -
www.squarefoot.com.hk/rent

BUYING PROPERTY

If buying property is an option for you it is worth noting that there are no visa requirements in order to buy property in Hong Kong.

LOCAL LANGUAGE

The languages spoken in Hong Kong are English, Cantonese and Mandarin. Other Chinese dialects such as Shanghainese, and Chiu-Chow can be heard as well.

Road signs are in both Chinese and English.

Most expats who are relocated are moved into roles which do not require Chinese language skills. Whilst it is not a requirement, some take the opportunity to learn a local language whilst there. Learning Cantonese will help to interact with locals and navigate the city while learning Mandarin will be more useful in business dealings. Some firms offer language lessons to staff but it is not 'the norm'.

BUILDING YOUR NETWORKS

On arrival a key focus is likely to be building your networks for business as well as leisure.

There are many social networks set up for people from different cultures and backgrounds and many are featured on www.asiaexpat.com.

In less than 30 minutes you can be out of the centre of Hong Kong on beaches, hills or islands and common activities in Hong Kong include dragon boating, chartering a junk and hiking, though for some the shopping options provide an activity in itself! A good place to find out how to get involved is www.asiaexpat.com.

The Asia-Pacific Professional Services Marketing Association (APSMA) www.apsma.com.au – has a very active presence in Hong Kong running networking and training sessions regularly. Seldon Gill is an active supporter of this group and can facilitate an introduction to key people in the association for relocating professionals.

DOMESTIC HELP – HOW THIS WORKS

A 'helper' is a foreign domestic housemaid or worker commonly employed by people who live in Hong Kong. The term 'helper' is the commonly used term in Hong Kong.

'Helpers' are officially employed to work 6 days a week from 7 am to 10 pm (with Sundays and public holidays off) for a basic minimum salary (c3,800 HKD per month). However, most people do not demand these hours of their 'helpers'.

'Helpers' have their visa for employment in Hong Kong sponsored by the person that hires them and so there are many regulations around employing 'helpers'. They must 'live in' with the family/individual and so most apartments have additional accommodation. 'Helpers' must also have all their food provided as well as one return plane ticket back home each year.

'Helpers' are often sourced through word of mouth or recommendation but there are agencies which will source full time 'helpers' as well – see www.asiaexpat.com.

Helpers can be hired to be pure housekeepers or to look after children as well.

FOR MORE INFORMATION

www.gov.hk/en/residents/employment/recruitment/localdomestichelper.htm

www.labour.gov.hk/eng/public/wcp/FDHguide.pdf

[www.immd.gov.hk/ehhtml/ID\(E\)989.htm](http://www.immd.gov.hk/ehhtml/ID(E)989.htm)

Setting yourself up in Hong Kong – some practicalities

RETIREMENT PROVISION

Everyone working in Hong Kong (earning HKD5,000 per month or more) has to participate in the Mandatory Provision Fund (MPF) scheme except for expats who reside in Hong Kong for the purpose of employment, providing: their employment is less than 12 months; or, they are/have been covered by a retirement scheme outside of Hong Kong. Mandatory contribution is 5% of monthly relevant income up to HKD20,000 per month (ie capped at HKD1,000 per month each from the employee which is matched by the employer).

In Seldon Gill's experience, most expats continue with their individual retirement strategies in their home country rather than rely on the MPF, however, obtaining professional advice is highly recommended.

FOR MORE INFORMATION

www.mpfa.org.hk/eindex.asp

SALARIES TAX – A KEY BENEFIT TO WORKING IN HONG KONG

Salaries tax in Hong Kong is determined on a sliding scale according to a taxpayer's net chargeable income (net assessable income minus approved charitable donations and personal allowances).

Tax is charged at progressive rates, subject to it not exceeding the standard rate (currently at 15%) of tax applied to the net total income. These rates are currently:

2%	from \$0 - \$40,000
7%	from \$40,001 - \$80,000
12%	from \$80,001 - \$120,000
17%	over \$120,000

The year of assessment is 1 April - 31 March.

Tax is not deducted at source and people must save and pay their annual salaries tax themselves.

Hong Kong follows a territorial principle and individuals are taxed only on income that has been earned in Hong Kong.

There is no capital gains tax, no dividend tax and no inheritance tax in Hong Kong.

It is advised that you should seek professional advice in both Hong Kong and your home jurisdiction as usually tax returns must be filed in both places.

FOR MORE INFORMATION

www.gov.hk/en/residents/taxes/salaries
www.ird.gov.hk/eng/tax/ind_tra.htm#item03
www.ird.gov.hk/eng/pdf/tax_guide_e.pdf

BANK ACCOUNTS

To open a bank account in Hong Kong you will need a passport or Hong Kong ID Card, proof of overseas residential address for the past 3 months and a letter of referral from your employer (or an account holder who has been with the bank over a year). The latter is a formality and will usually be provided to you on your first day at your new firm. Alternatively, you may approach your bank in your home country which may organise to have your existing accounts transferred to the banks in Hong Kong.

EDUCATION - FOR THOSE RELOCATING WITH FAMILIES

Most expats in Hong Kong with children choose to send them to International schools and many business support professionals primarily consider ESF schools (English Schools Foundation) which were set up when Hong Kong was a British Colony. However, some expats choose to send their children to local schools to assist them with their local language skills.

ESF Schools are represented in almost every suburb in Hong Kong. They are more affordable than some of the other International schools and, due to the number of ESF schools in Hong Kong, they can be easier to get in to. In theory, any

person who is a native English speaker should be able to get a place; though this is subject to availability and waiting lists.

Due to waiting periods, it is recommended that you start researching schools at the same time as applying for career opportunities; and that as soon as you start to move towards the offer stage that you start making enquiries with schools.

Many parents make multiple applications concurrently and it is worth noting that application fees are non-refundable. Some schools also require a debenture on application. This is an interest free loan provided by the parent to the school and refunded when the child leaves. The size of debenture required by various schools can often inform decision making for which applications are made.

Those relocating with children should be aware that school place availability can be a prime influencer in choosing a suburb to live in.

Like many other places in the world, the usual school ages are - primary school, 5/6 years and secondary school, 11 years.

FOR MORE INFORMATION

www.gov.hk/en/residents/education

www.esf.edu.hk

What Next?

The more research and information you do before you relocate to Hong Kong, the smoother your transition will be - both personally and professionally. It will also go a long way to proving your commitment to the move during the interview process!

Whilst the best information comes from speaking to people who are already on the ground, these additional resources and popular guides should also make interesting reading!

Live and Work in Hong Kong: Comprehensive, Up-to-date, Practical Information About Everyday Life (Rachel Wright)

Living and Working in Hong Kong: The Complete, Practical Guide to Expatriate Life in China's Gateway (Rachel Wright)

Everything Hong Kong: The Essential Living Guide (Vera Goodwin)

Hiring & Managing Domestic Help (Andreas Rosboch)

[www.amcham.org.hk/index.php/
Living-in-Hong-Kong.html](http://www.amcham.org.hk/index.php/Living-in-Hong-Kong.html)

www.justlanded.com/english/Hong-Kong

www.orientexpat.com/hong-kong-expat/costs





International aspirations? We'll put your name in lights.

When it comes to working globally, we share your ambition. That's why we have developed a network that covers nearly all the major centres throughout the world. From HK and Dubai to New York and Sydney, we've got the contacts, we know the markets and we understand the workplace landscapes. So if you're ready to bring your talent and ambition to the international stage, contact graham.seldon@seldongill.com You'll definitely find us switched on.

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