

For discussion  
on 21 June 2011

**Legislative Council  
Panel on Commerce and Industry**

**Rent Allowance and Exchange Compensation Allowance for Officers posted  
outside Hong Kong**

**Purpose**

This paper briefs Members on the outcome of the review of the rent allowance (RA) mechanism, and seeks Members' support for a proposal to rationalise the current system for RA payable to officers posted to overseas Economic and Trade Offices (ETOs) under the Commerce and Economic Development Bureau (CEDB) and secondments to overseas organisations. This paper also seeks Members' support for a proposal to allow flexibility in the level of salary to be covered under the Exchange Compensation Allowance (ECA) payable to officers posted outside Hong Kong.

**Background**

Rent Allowance

2. Currently, there are 11 ETOs under CEDB. These offices are located in Berlin, Brussels, Geneva, London, New York, San Francisco, Washington D.C., Toronto, Tokyo, Singapore and Sydney. Apart from posting officers to these overseas ETOs, some officers are also seconded to organisations outside Hong Kong<sup>1</sup>.

3. Under the existing arrangements, except for a few Heads of ETOs who are provided with official residences, all officers posted outside Hong Kong will receive an RA, which is payable on a reimbursement basis, to assist them to rent

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<sup>1</sup> Secondments to overseas organisations include the Interpol Liaison Office for Southeast Asia in Bangkok (Thailand), the National Policing Improvement Agency in Bramshill (United Kingdom), the General Secretariat of Interpol in Lyon (France), the Office of Representative of People's Republic of China on the Council of the International Civil Aviation Organization in Montreal (Canada) and the Asian Development Bank in Manila (Philippines).

accommodation in the city of posting. The RA rates, as approved by the Finance Committee (FC) or its delegated authority on individual case basis, represent the ceiling for reimbursement of accommodation expenses<sup>2</sup>.

#### Exchange Compensation Allowance

4. At present, officers posted to places other than the United States may opt to join, at the beginning of the posting, an ECA scheme which was approved by the FC in January 1991. The scheme aims at protecting officers against adverse exchange rate fluctuations which may arise due to their postings outside Hong Kong, and covers 75% of an officer's salary. Any exchange gain or loss over each six-month period<sup>3</sup> would be assessed by reference to a base rate calculated as the average of the exchange rates prevailing on the first banking day of each month in the preceding 30 months. In the case of exchange loss, the officer is compensated at the end of the six-month period. In the case of exchange gain, the gain is deducted from the officer's salary. The officer's decision of opting in or out of the scheme cannot be reversed during the course of a posting<sup>4</sup>.

#### **Review of the RA Mechanism**

5. In the past, the basis for determining RA rates varied amongst different locations. For postings to the overseas ETOs which were established before 1992 (other than the London ETO) and overseas secondments, we have adopted the rates used by the United Kingdom Foreign and Commonwealth Office for its diplomatic staff of equivalent ranks where available<sup>5</sup>. In the case of the London ETO, we have adopted the rates as determined by the Rating and Valuation Department on the basis of the results of periodic surveys conducted by their staff. For the Singapore ETO which was established in 1996, we have made reference to the rates offered by the Australian Government to its diplomatic staff at comparable ranks. For the Berlin ETO, we have made reference to the ranking and family status of officers, relevant findings of accommodation surveys, accommodation standards in the host city, information on the prevailing rentals of residential accommodation in appropriate areas normally taken up by expatriate executive/managerial personnel.

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<sup>2</sup> Reimbursable items include rent, furniture rental and other mandatory charges such as management fees, tax and service charges where applicable.

<sup>3</sup> The two six-month periods run from August to January and from February to July respectively.

<sup>4</sup> Opting in means that 75% of the officer's salary is protected against exchange rate fluctuations. This ensures that the value of the salary, when converted into local currency of the country of posting, would not be eroded by any depreciation of the Hong Kong dollar. Opting out means that the value of the officer's salary, when converted into local currency of the country of posting, would fluctuate according to exchange rate movements.

<sup>5</sup> In the case where such rates are not available from the United Kingdom Foreign and Commonwealth Office, we have made reference to the current market rates (e.g. information provided by the Worldwide Cost of Living Survey) and the existing RA rates for comparable ranks in nearby cities.

6. Due to the lack of a consistent and specific approach in rate adjustment, the RA rates for certain cities of posting have fallen out of step with changes in the rental market. Moreover, the structure of the RA rates differs amongst different cities of posting, with some cities having one rate for officers of different family status (single/married/family, i.e. married with children) while others have two or three tiers of rate. The rates structure also varies among different locations, for instance, some offices adopt the same rate for officers at Directorate Pay Scale point 2 and point 3 level, while some offices have different rates. There is also no consistent approach in determining the RA rates for new cities of posting or new ranks in existing cities.

7. In view of the above, we consider that there is merit to devise a mechanism to rationalise the RA system. To this end, we have engaged an international consultant (ECA International) to conduct a study on the mechanism for setting RA rates with a view to drawing up a new system for the determination and adjustment of the RA rates. The consultancy report is at [Annex A](#).

8. The proposed new system provides for a set of objective standards based on which all the RA rates are drawn up and covers all the ranks in the civil service. The allowance will cover rent, furniture rental and other mandatory charges such as management fees, tax and service charges where applicable. The consultant has made reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities and has drawn up a set of standards of accommodation for officers of different levels and family status. Based on these factors, the consultant has conducted research and accommodation surveys in selected locations in the relevant cities and drawn up specific RA rates for each level and different family sizes of officers on the basis of validated residential property rental data. Two different rates of allowance, viz. single/married and family, for officers at different ranks are set out by the consultant to cater for different family circumstances. The rate of allowance is discrete for each level of seniority, viz. the family rate does not exceed the single/married rate of a more senior level.

9. In addition, Heads of ETOs have a representational role and are required to host functions at home from time to time. In this connection, the consultant has proposed to apply an uplift factor of 15% to their RA rates<sup>6</sup>. In drawing up this uplift factor, a consistent approach has been adopted to determine suitable standards of accommodation that befit the special role of the Heads of ETOs, who are the most senior representative of the HKSAR Government in the respective city of posting. The rent, furniture rental and mandatory charges would need to be adjusted to reflect

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<sup>6</sup> Typically an employee receives an RA appropriate to his rank and family size. The uplift factor represents the combined adjustment needed to bring the allowances up to a level whereby these allowances would enable individuals to rent larger and better quality accommodation suitable for representation. The adjustment factor of 1.15 is in keeping with similar adjustment factors used by other governments.

the typical costs commensurate with a property which is larger and of better quality.

10. If the proposed RA system is adopted, some rates will be reduced while others will be increased. A table showing the comparison of the existing and proposed RA rates is at **Annex B**. To avoid undue hardship to those serving officers on their current tour who have already arranged their accommodation in the cities of posting/secondment, we propose to grandfather their existing RA entitlement in the case where the RA rates have been reduced. The new rates would only apply when the officers move from one residence to another. On the other hand, for cities where the RA rates have been increased, the new rates would only apply when officers are already paying rents higher than the existing rates or when they change residence. It is also proposed that the same arrangement should apply to future RA rate adjustments.

11. As rental markets are volatile, we propose to review the RA rates for the 11 ETOs and cities with overseas secondments annually with reference to the city-specific rental indices<sup>7</sup>, and to conduct a comprehensive review once every five years on top of the annual adjustment. For new cities of posting not covered in this paper, the RA rates will be developed based on the criteria and framework adopted in this consultancy study. We further propose that the authority to approve the annual revisions of existing rates based on the city-specific rental indices and rates for new cities be delegated to the Secretary for Commerce and Economic Development for ETOs and the Secretary for the Civil Service for postings/secondments under its purview.

## **Review of the ECA**

12. In recent years, we have received feedback from officers posted outside Hong Kong regarding the set level of 75% of the salary covered by the ECA scheme. Some officers take the view that the percentage committed is too substantial and have requested that officers should be given more flexibility in deciding the portion of salary to be covered under the scheme to cater for individual needs.

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<sup>7</sup> The city-specific rental indices provide a consistent, simple and logical approach to the review of comparative housing standards on a yearly basis. Each year ECA International collates data from various sources and the results of which are then compared against the results from the same sources in the previous year. A representative expatriate accommodation type and size is selected and a year-on-year rental market price differential is calculated for this type of accommodation. This differential is then expressed in the form of a year-on-year city index or 'Change in the Cost of Rented Accommodation' which provides an indicator of expatriate rental cost trends in a city. This index can be positive or negative, and will be used to compare against a threshold to determine if it is to be applied to the existing rates to establish allowances for the following year for all rank groups.

13. The Administration has reviewed the arrangements of the ECA scheme and considered the merits of allowing greater flexibility for the portion of salary to be covered by the scheme. Having regard to the nature of the scheme which aims at protecting officers against adverse exchange rate fluctuations, we propose that officers should be allowed to opt among a number of pre-determined levels (i.e. 25%, 50%, or 75% of salary) to be covered by the ECA scheme. The maximum percentage that an officer is allowed to opt would not exceed the set level of 75% of salary as approved by the FC in 1991.

14. We propose that the new arrangement should apply to officers who are given a written offer for an external posting/secondment from a prospective date<sup>8</sup>. Since an officer's decision of opting in or out of the ECA scheme cannot be reversed during the course of a posting, serving officers on their current tour will not be affected.

### **Financial Implications**

15. Based on the current setup of the 11 ETOs and the existing secondments to overseas organisations, if the proposed RA rates are adopted, the total cost of the RA each year will be \$20.33 million, representing a saving of \$2.1 million. We have included sufficient provision in the 2011-12 Estimates of Expenditure to meet the above costs.

16. Given that the ECA payable will depend on a number of factors, such as the number of officers participating in the ECA scheme, the portion of salary they opt to be covered by the ECA scheme, as well as the extent and direction of future exchange rate movements, we cannot assess accurately the financial implications of the proposed new ECA arrangement. That said, given that the proposal only involves a technical refinement to the scheme previously approved by the FC by allowing flexibility for officers to choose among a number of pre-determined levels but still subject to the originally approved set level of 75%, we do not expect that it would have major financial implication.

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<sup>8</sup> The offer of an external posting/secondment from a prospective date, in this context, includes a written offer for consecutive tour(s) in another office outside Hong Kong given on or after the prospective date. It does not include a written offer for an extension of tour for serving in the same post or for consecutive tour(s) in a different post in the same office. However, if an officer makes a special request to opt afresh for the extension of the tour or the consecutive tour(s) in a different post in the same office, consideration may be given on a case-by-case basis.

## **Advice Sought**

17. Members' advice is sought on the proposals in the paper. Subject to Members' views, we would seek the approval of FC on the proposed RA mechanism and the new arrangement for ECA in July 2011.

Commerce and Economic Development Bureau  
Civil Service Bureau  
June 2011



# Consultancy study – Final report

7 June 2011

## Review of rent allowance for officers posted outside Hong Kong



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## Executive summary

The Government of the Hong Kong Special Administrative Region as represented by the Secretary for Commerce and Economic Development has appointed ECA International, a consulting firm, to provide consultancy services to review and update the rates of rent allowance for officers posted outside Hong Kong.

### Background to the consultancy study

The Commerce and Economic Development Bureau currently has eleven overseas Economic and Trade Offices (ETOs). These offices are located in Berlin, Brussels, Geneva, London, New York, San Francisco, Washington, DC, Toronto, Tokyo, Singapore and Sydney. Apart from posting officers to these overseas ETOs, some officers are also seconded to organisations outside Hong Kong. Secondments to overseas organisations include the Interpol Liaison Office for Southeast Asia in Bangkok (Thailand), the National Policing Improvement Agency in Bramshill (United Kingdom), the General Secretariat of Interpol in Lyon (France), the Office of Representative of People's Republic of China on the Council of the International Civil Aviation Organization in Montreal (Canada) and the Asian Development Bank in Manila (Philippines). These officers, about 50 in total, are of Directorate, senior professional and middle management ranks.

Under the existing arrangements, apart from a few Heads of ETOs who are provided with official residences, all officers posted outside Hong Kong will receive a rent allowance, which is payable on a reimbursement basis, to assist them to rent accommodation in the city of posting. The rent allowance rates, as approved by the Finance Committee of the Legislative Council or its delegated authority on individual case basis, represent the ceiling for reimbursement of accommodation expenses.

In the past, the basis for determining rent allowance rates varied amongst different locations. For postings to overseas ETOs which were established before 1992 (other than the London ETO) and overseas secondments, the rates used by the United Kingdom Foreign and Commonwealth Office for its diplomatic staff of equivalent ranks where applicable are adopted. In the case of the London ETO, the rates as determined by the Rating and Valuation Department on the basis of the results of periodic surveys conducted by their staff are adopted. For the Singapore ETO which was established in 1996, reference is made to the rates offered by the Australian Government to its diplomatic staff at comparable ranks. For the Berlin ETO, reference is made to the ranking and family status of officers, relevant findings of accommodation surveys, accommodation standards in the host city, information on the prevailing rentals of residential accommodation in appropriate areas normally taken up by expatriate executive/managerial personnel.

Due to the lack of a consistent and specific approach in rate adjustment, the rent allowance rates for certain cities of posting have fallen out of step with changes in the rental market. Moreover, the structure of the rent allowance rates differs amongst different cities of posting, with some cities having one rate for officers of different family status (single/married/family, i.e. married with children) while others have two or three tiers of rate. The rates structure also varies among different locations, for instance, some offices adopt the same rate for officers at Directorate Pay Scale point 2 and point 3 level, while some offices have different rates. There is also no consistent approach in determining the rent allowance rates for new cities of posting or new ranks in existing cities.

In order to draw up an objective and comprehensive system for determining and adjusting the rent allowance rates applicable to all ranks in the civil service, the Commerce and Economic Development Bureau commissioned ECA International to conduct a consultancy study to review the rent allowance system and develop a new system for the determination and adjustment of the rent allowance rates for officers posted outside Hong Kong. The study was divided into three stages -

1. Review the general standards of accommodation provided to officers working for multinational companies.
2. Recommend residential areas and specific rent allowance rates for overseas ETOs and secondments.

3. Recommend various mechanisms for periodical revision of the rent allowance rates.

### Findings from Stage One

Under Stage One of the study, ECA International made reference to the policies and broad standards of accommodation provided by multinational corporations for their expatriate executive/managerial personnel of comparable level and drew up a set of general standards of accommodation for officers of different levels and family status posted outside Hong Kong.

The majority of companies employed centralised guidelines that established suitable standards of accommodation for assignees posted outside their home country. These guidelines tend to develop in conjunction with Local HR. Centralising standards ensure some measures of equity and consistency across different host cities. As a general rule, the Company Headquarters offer local HR qualitative advice on setting accommodation standards. Local HR is expected to follow these basic principles when trying to provide accommodation to assignees, i.e. accommodation should be located in safe areas, within close proximity to schools (if appropriate) and size of accommodation should be in proportion to family size. The length of an assignment can also have a significant impact on the choice of accommodation provided to an assignee and consequently it can affect the overall budget.

The following general conclusions were drawn about the standards of accommodation provided to assignees by multinational companies -

The majority of ECA International's member companies take the following factors into account when determining an appropriate standard of accommodation -

- (1) Grade/rank
- (2) Accommodation standards in the host country
- (3) Suitable areas in the host city
- (4) Family size

- (1) Grade/rank

Senior executives are typically provided with the highest standard of accommodation. This is reflected in the quality of accommodation provided and the choice of residential area chosen.

Most companies state that the job grade/rank of an assignee could not be viewed in isolation when setting accommodation standards. Family size needs to be considered. Consequently, some companies stated that it was possible, although unusual, for a senior manager on an unaccompanied assignment to receive a lower allowance than a middle manager with three children.

#### Special uplift factor for senior executives

Government organisations tend to recognise a need for hosting hospitality at home. Besides, some multinationals stated that General Managers are usually provided with appropriate accommodation to match their status and to also meet their needs to entertain at home. Such properties tended to be larger to allow the assignee to entertain, and of a higher quality compared to other grades.

- (2) Accommodation standards in the host country

Housing at the assignment location will normally be provided, by companies, to a standard which is appropriate for host country conditions and taking into account whether or not the assignee is accompanied by their partner and

other family. Families with children of schooling age are typically provided with accommodation in residential areas within close proximity to an international school or school that meets educational requirements.

Companies will take advice on appropriate standards of accommodation from a number of sources, including independent data providers such as ECA International.

(3) Suitable areas in the host city

In all cases, rental costs are based on the areas of a host city favoured by expatriates because of their proximity to international schools, city centres and their safety. The majority of companies stated that family circumstances have a significant bearing on the choice of residential area within a city. Hence a greater emphasis is placed on finding and securing accommodation in the vicinity of schools rather than choosing areas close to the office.

(4) Family size

The majority of companies consider different rental ceilings for two family sizes (Single/Married and Family) or they adopt a less informal approach, using family size to determine the number of bedrooms only. Single/married assignees are typically provided with one to two bedroom apartments, whereas families will tend to live in three to four bedroom properties depending upon the number of children and host country norms.

Additional costs - furnishings and furniture allowance:

The majority of companies attempt to provide furnished accommodation in the host location. This is achieved by expressing a rental ceiling based on furnished accommodation or by setting rental ceilings based on unfurnished accommodation and, in addition, providing furniture or shipping the assignee's own furniture to the host location.

For the majority of companies, it is their intent to provide the assignee with furnished host country housing. However, most companies recognise that in some locations, furnished housing may not be available. If the property is unfurnished, the majority of companies will either meet the cost of renting furniture to an agreed budget or will meet the costs of transporting furniture. Shipping and freight weight limits are usually determined by volume and set in line with family size. Some companies also bear in mind the length of the assignment and distance between the home and host country. If the cost of transporting furniture is particularly high this option will not usually be allowed.

## Stage Two

Under Stage Two of the consultancy study, ECA International has recommended residential areas and specific rent allowance rates for each level and family status of officers for each city of posting on the basis of the above standards of accommodation. The first part of this stage was to recommend the residential areas suitable for officers based in the host cities and secondly to set the rent allowance rates based on the residential areas accepted by the HKSAR Government.

- The residential areas selected for inclusion in this study are suitable for expatriate personnel and typically located less than 60 minutes from the ETO/organisation.
- Rent allowances have been developed for each job level ranging from Group I to Group V officers.
- Rent allowances have been further sub categorised into single/married rates and those suitable for families.
- Rental budgets comprise rent and where applicable a furniture allowance and compensation for additional mandatory costs. When excluded from the monthly rent, mandatory costs can comprise car parking fees, housing taxes, service and maintenance fees associated with the upkeep of communal areas.

### **Stage Three**

Under Stage Three of the study, ECA International has provided detailed information on various review mechanisms to facilitate the HKSAR Government in developing an objective system for setting and revising rent allowance rates in future.

## Project objectives

To review the mechanism for setting the rent allowance rates with a view to drawing up a new system for the determination and adjustment of the rent allowance rates for officers posted outside Hong Kong.

The Commerce and Economic Development Bureau is seeking an update of the existing rent allowance rates. It requires some adjustments for certain areas to be included/excluded, as applicable, taking into account latest comments from officers posted overseas and would like ECA International to look into these issues, propose additional or alternative residential areas where appropriate, and provide updated rent allowance rates based on the accepted residential areas. The proposed rates should capture and reflect the latest market condition of respective host cities.

ECA International will ensure that the proposed rent allowance system is accurate, realistic, logical, user-friendly and consistent in its approach across both rank and location.

In reviewing the rent allowance rates the following factors will be taken into consideration -

- (a) ECA International will set standards of accommodation for the officers posted outside Hong Kong with reference to the policies and broad standards of accommodation provided by major multi-national corporations to their expatriate executive/managerial personnel of comparable level in the host cities. ECA International's definition of standards refers to the typical number of bedrooms by family size and also the areas in which officers will be housed. ECA International will agree with the Commerce and Economic Development Bureau all residential areas to be included within the scope of this project.
- (b) ECA International will set different rates of allowance for officers at different levels, i.e. Group I, II, III, IV and V as set out at Appendix. For each level, there will be two different rates of allowance, i.e. family rate and single/married rate to cater for different family circumstances. ECA International acknowledges that the rates of rent allowance should be discrete for each level of seniority e.g. the family rate must not exceed the allowance for a single/married officer of a more senior level.
- (c) The rent allowance will cover rent, furniture rental and other mandatory charges such as management fees, tax and service charges, etc.
- (d) ECA International will suggest an uplift factor for each city of posting, which can be applied to ECA International's suggested rent allowances to reflect special factors such as representational role of senior directorate officers as determined by the HKSAR Government.

## Methodology

Every attempt will be made to guarantee that the recommendations made by ECA International are based on well-defined standards and true, accurate and well-researched material. Nevertheless, the Commerce and Economic Development Bureau should bear in mind that the assessment of benefits and property markets are not precise sciences and that there is scope for variation in the location specific accommodation standards and the scale of rent allowances.

ECA International has worked with the HKSAR Government to develop a system for setting and regularly revising the rates of rent allowance for officers posted to ETOs/organisations outside Hong Kong.

The process for setting the rent allowance involved several stages -

1. Collating rental costs from various sources
2. Assessing suitable residential areas and types of accommodation for expatriates in the host locations
3. Selecting appropriate positioning in the rental market for staff housing
4. Calculating furniture allowances
5. Calculating other additional mandatory expenses
6. Validating rent allowances

### Collating rental costs from various sources

Research is conducted on an annual basis by ECA International into rental trends in major cities worldwide. ECA International's consolidated global research database is drawn from various sources -

1. ECA International's member companies
2. Expatriate market rental surveys through EPIC International
3. An established network of letting agents/estate agents/realtors/developers recommended by the member companies' expatriate population
4. Internet research

### ECA International's member companies

ECA International's unique membership structure of companies makes it possible to share data about typical housing allowances for international assignees. Data is gathered twice a year through ECA International's worldwide Cost of Living survey. ECA International's membership base comprised over 750 companies in the financial year 2009/10 of which approximately 12% were non-profit-making government organizations.

The Cost of Living survey provides information on our members' expatriates own housing as well as their idea of typical housing costs in the suburb in which they live. This survey also gives ECA International information on commuting times and the amount of furnishing the assignee is likely to find in their housing.

### EPIC International

ECA International has established a business relationship with EPIC International, a global provider of rental data and surveys. Through this company ECA International acquires comprehensive surveys covering all aspects of the rental process. Principally, for each location, EPIC International is asked to rank the five most popular expatriate residential areas and for each of the five specified areas it provides the following information -

- Security
- Property trends over the last 12 months and anticipated trends over the next 12 months
- Detailed descriptions of the neighbourhood including details of the infrastructure, ease of travel to important areas, availability of parks/outdoor space
- Availability of public transport and an estimate of commuting times to the city centre
- Housing types and rental costs for 1 to 4 bedroom apartments and 3 to 5 bedroom houses
- Average total floor area (m<sup>2</sup> or square feet) for different property sizes
- Availability of accommodation
- Additional mandatory charges (service charges, taxes, car parking fees)
- Lease and brokerage information including deposits payable
- An indication of the level of furnishing
- 

ECA International has a team of dedicated research analysts that specialises in researching, analysing and understanding expatriate rental markets and trends globally. The accommodation department contacts alternative estate agents directly and gathers information on expatriate prices, rental trends and additional costs.

Internet research enables ECA International to confirm the information gathered by the other sources, such as travel times to the city centre, area descriptions and data on properties that are currently available to rent.

#### Data collection

Raw data: ECA International uses multiple sources for its data gathering, some of which are guaranteed anonymity. For this reason, whilst ECA International is very comfortable in explaining how the results have been derived, the raw data cannot be disclosed.

ECA International's data collection process has been planned to coincide with January expatriate salary reviews.

Data collection is ongoing throughout the year, but to reassure companies that ECA International's housing data accurately reflects the expatriate housing markets in January critical sources of data, such as the rental surveys supplied by EPIC International, are collected over 3 months from August to October. The rationale behind this chosen collection period is to ensure the EPIC data is consistent with the information returned through the Cost of Living survey in late August/early September. The data collected over the 3-month window is evaluated with that gathered from ECA International's network of estate agents and relocation companies over June and July. This consolidated database of housing information therefore offers ECA International a methodological assessment of the expatriate housing market from which ECA International is able to expertly and accurately advise the Commerce and Economic Development Bureau of changes in expatriate rental markets on an annual basis.

ECA International also conducts a Cost of Living survey in March and data gathered at this point in the year can also be used to support requests for information on demand. Given that this is only one source of information, if housing costs are to be updated, ECA International may need to acquire additional supporting data from EPIC International or the network of estate agents and relocation companies.

#### **Assessing suitable residential areas and types of accommodation for expatriates in the host locations**

To help establish which areas are suitable for expatriate personnel, ECA International has drawn upon its extensive expertise and professional knowledge of typical expatriate enclaves in each of the assignment locations. Residential areas have been selected with reference to benchmark information extracted from ECA International's worldwide profile of expatriate accommodation which is derived from policy and practice in the private sector as well as government organisations. Following discussions with the HKSAR Government an agreement was reached as to the most appropriate areas to be used in the study taking into consideration factors like safety, availability of

reasonable infrastructure and accommodation of suitable quality; areas which did not meet these standards have been deemed unsuitable and discounted from the study.

The type of accommodation will be determined with reference to norms and availability in the host city, taking into account the status and requirements of officers as determined by the Commerce and Economic Development Bureau. Typically, the standard/quality and style of accommodation is aligned with the prevailing characteristic expatriate housing practices in the host city. For example, in Japan, expatriates tend to reside in apartments rather than houses and most low-cost or subsidised apartments tend to accommodate local nationals rather than expatriate employees.

### **Selecting appropriate positioning in the rental market for staff housing**

For over 200 cities, ECA International collates representative expatriate-style rental data. Within each city some neighbourhoods are more preferred by expatriates than others and ECA International references rental data for each of the expatriate enclaves to produce a guide showing citywide rental costs. The data for the rental guide is classified by area within a continuum into three areas. As with all neighbourhoods it is possible for the rental price within an area to vary according to the type and quality of the accommodation. Hence within each of the three area classifications rents tend to range from lower quartile, median to upper quartile illustrating the spread of prices throughout the city. The spread of rents across the three areas typically reflects the 10th – 90th percentiles of the rental market continuum. Rents falling outside this range are deemed inappropriate for expatriates. Based on discussions with the HKSAR Government the inclusion of areas and hence the range of rents included in the rental study tended to vary by city taking into consideration security, the commuting time to the ETO/organisation and the proximity of suitable schooling.

### **Calculating furniture allowances**

ECA International understands that it is the intention of the Commerce and Economic Development Bureau to provide rent allowances which reflect furnished accommodation. Cost estimates on the provision of furnished accommodation will be provided in each host city, based on ECA International's research and survey findings. Unfurnished accommodation seldom tends to include carpeting or curtains. In the kitchen one could expect to find a cooker, but usually not a fridge or other major appliances. Whereas furnished properties usually include all appliances and major furniture items. However, additional furnishings, as well as a fully-equipped kitchen, may be included in higher-priced properties. The level of furnishings found in a property varies from city-to-city and country-to-country. Furniture allowances have been calculated on the assumption that an assignment is for a duration of 36 months. Furniture rentals exclude local VAT and delivery, installation and collection charges. Where furniture rental is not a possibility, the furniture allowance has been calculated based on the cost average differential between renting furnished and unfinished accommodation.

### **Calculating other additional mandatory expenses**

Rent allowances will make provision for additional mandatory costs related to rented accommodation in each host city. These will include government and city taxes and service and management fees, where applicable. The nature of service costs varies from location to location, but generally covers maintenance of communal areas, refuse collection and concierge charges. Where applicable, ECA International has also included the additional cost of car parking if it has not already been included in the rent. Mandatory costs tend to be calculated as either a percentage of the monthly rent or as a flat fee as prescribed by local market norms.

### **Validating rent allowances**

This is the final, but most important step in the process for determining suitable rent allowance for staff. The validation is a necessary check to ensure that the allowances calculated are sensible and reasonable. ECA

International's network of agents as well as EPIC International offer ECA International a useful source to substantiate movements in expatriate rental markets.

For each city of posting ECA International has provided two tables with city specific assumptions. The first table provides a breakdown of total rental costs (rent allowances for unfurnished accommodation, furniture rental cost where applicable and additional mandatory costs) and the second details basic assumptions of proposed rent allowances by officer rank (residential areas, estimated distance from the ETO/organisation, size and type of accommodation, a description of any mandatory costs and an indication as to whether utilities are typically included or paid separately in addition to the rental fee).

An indication of whether or not utility charges are typically included in rental costs will be provided in each city of posting, but no provision will be made for utility costs.

Beyond the scope of this project are one-off set up costs, including but not limited to, agent's fees, lease fees, deposit and utility connection fees. Also outside the scope of this project are ongoing non-mandatory costs which may be incurred by tenants including, but not limited to, cable, radio, television fees, gardening, swimming pool and maintenance costs and property/household insurance fees.

Rent allowances have been provided for all levels of seniority in each city of posting despite the fact that they may not currently be required.

## Bangkok, Thailand

Rank/Grade	Family size	Rent allowance (furnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	198,020	0	0	198,020
	Family	205,703	0	0	205,703
Group I (D6)	Single/married	161,000	0	0	161,000
	Family	190,400	0	0	190,400
Group II (D4 & D5)	Single/married	103,330	0	0	103,330
	Family	153,330	0	0	153,330
Group III (D1 - D3)	Single/married	79,900	0	0	79,900
	Family	99,380	0	0	99,380
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	76,930	0	0	76,930
	Family	78,330	0	0	78,330
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	68,480	0	0	68,480
	Family	75,420	0	0	75,420

- Rent allowances are monthly costs in Thai Baht

## Standard assumptions - Bangkok

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 bedroom apartment	Low to medium	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Low to medium	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 bedroom apartment	Low	Cost included in rent allowance	None	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Low	Cost included in rent allowance	None	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

Sukhumvit, Sathorn, Silom, Lumpini, Langsuan, Ploenchit and Bang Na

Group I - Sukhumvit, Langsuan, Ploenchit

Group II - Sukhumvit, Langsuan, Ploenchit

Group III - Sukhumvit, Langsuan, Ploenchit

Group IV - Sukhumvit, Sathorn, Silom, Lumpini, Langsuan, Ploenchit and Bang Na

Group V - Sukhumvit, Sathorn, Silom, Lumpini, Langsuan, Ploenchit and Bang Na

## Costs included in rental fees

### Car parking fees

There are no additional fees for car parking.

### Service costs

Service charges are usually borne by the landlord but this should be made clear in the lease. Service charges for apartments depend largely on the location and the size of the property and average about 5% of the monthly rent. These charges cover facilities such as cleaning and lighting of communal areas, lift maintenance, and garage space.

### Housing taxes

Housing tax is 12.5% of the annual letting value of the property. It is paid by the owner of the property. If the property is owned by a registered company it is also liable for Corporation Tax.

## Costs excluded from rental fees

### Deposit/key money

Most landlords require two months' rent as a security deposit for both furnished and unfurnished accommodation. Sometimes an owner may ask for more, but this is not customary.

### Estate agent/brokerage fees

Tenants are not liable for any brokerage fee. Landlords will pay any brokerage fees associated with rental transactions; typically around one month's rent. There is no legal maximum to brokerage fees which may be levied. The high demand for suitable properties, especially at peak times, means that often a booking fee, which can be anything between THB 20 000 and THB 50 000, is used to secure the property for the tenant. This will be offset against the advance rental and deposit paid to the landlord.

### Utilities

Utility charges are not included in the rental prices quoted for either apartments or houses. However, in large apartment complexes the building managers often pay utility bills on behalf of tenants and then add the cost to the monthly rents. The cost of utilities is relatively high in Thailand as the country is currently consuming more energy than it can produce.

### Furniture and furnishings

If properties are unfurnished they will be equipped with lighting fixtures, kitchen cabinets, bedroom closets and bathroom units. Curtains and carpets (often parquet flooring) should also be included. Some may even include a fully equipped kitchen. Partially furnished properties should also include a bed and a sofa. If properties are let furnished they will usually have air-conditioning units, a fully-equipped kitchen with cupboards as well as all furniture and furnishings.

## Berlin, Germany

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	2,840	133	510	3,483
	Family	3,070	146	630	3,846
Group I (D6)	Single/married	2,160	124	490	2,774
	Family	2,680	133	610	3,423
Group II (D4 & D5)	Single/married	1,480	126	390	1,996
	Family	2,140	124	490	2,754
Group III (D1 - D3)	Single/married	1,230	115	300	1,645
	Family	1,410	126	340	1,876
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	1,120	106	300	1,526
	Family	1,170	115	340	1,625
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	940	106	270	1,316
	Family	1,070	115	320	1,505

- Rent allowances are monthly costs in Euros

## Standard assumptions - Berlin

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minute	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Steglitz-Zehlendorf, Wilmersdorf (Gruenewald), Frohnau, and Tiergarten

Group I - Steglitz-Zehlendorf, Wilmersdorf (Gruenewald) and Tiergarten

Group II - Steglitz-Zehlendorf, Wilmersdorf (Gruenewald) and Tiergarten

Group III - Steglitz-Zehlendorf, Wilmersdorf (Gruenewald) and Tiergarten

Group IV - Wilmersdorf (Gruenewald), Frohnau, and Tiergarten

Group V - Wilmersdorf (Gruenewald), Frohnau, and Tiergarten

**Costs included in rental fees**Car parking fees

EUR 50 to 150 per month.

Service costs

Service charges on apartments cost between EUR 2.50 - EUR 3.00 per square metre, and are paid by the tenant in addition to the monthly rent. They will cover all communal services such as lift maintenance, cleaning and lighting of communal areas and refuse collection.

Housing taxes

Property taxes are the landlord's responsibility.

**Costs excluded from rental fees**Deposit/key money

Most landlords require three months' rent plus 19% VAT as a security deposit. Bank guarantees (especially with a company contract) will often suffice instead.

Estate agent/brokerage fees

Brokerage fees are variable, up to a legally fixed maximum of two months' rent (plus an additional 19% VAT). It is usually the responsibility of the tenant to pay these fees.

### Utilities

Utilities are not usually included in the rent and are paid by the tenant in Euros. However, a significant percentage of landlords offer all inclusive rental packages which, for a higher rental cost, will include all utilities. All utilities are reliable.

Utilities (electricity, gas and water) are metered, with readings taken annually. The monthly amount payable is based on a predetermined usage, and will be adjusted following the meter reading.

### Furniture and furnishings

Unfurnished properties will essentially be 'bare' units, although they will sometimes be equipped with kitchen units and a minimal amount of storage space. Furnished properties, where available, will generally include standard furniture, a kitchen equipped with cabinets and major electrical appliances, TV, washing machine, curtains and floor coverings. Provision of a drier is at the landlord's discretion.

## Bramshill, UK

Rank/Grade	Family size	Rent allowance (furnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	3,100	0	220	3,320
	Family	3,300	0	240	3,540
Group I (D6)	Single/married	2,230	0	170	2,400
	Family	3,040	0	180	3,220
Group II (D4 & D5)	Single/married	1,510	0	120	1,630
	Family	2,230	0	130	2,360
Group III (D1 - D3)	Single/married	1,140	0	100	1,240
	Family	1,320	0	110	1,430
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	1,050	0	90	1,140
	Family	1,100	0	100	1,200
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	950	0	80	1,030
	Family	960	0	90	1,050

- Rent allowances are monthly costs in Sterling

## Standard assumptions - Bramshill

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	3 to 4 bedroom apartment & houses	Medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 bedroom apartment	Low to medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Low to medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 40 minutes	2 bedroom apartment	Low	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 40 minutes	2 to 3 bedroom apartment & houses	Low	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

Ascot, South Ascot, Sunningdale, Reading, Binfield Park, Windsor, Maidenhead and Basingstoke

Group I - All areas, but mainly Sunningdale, Ascot, South Ascot and Windsor

Group II - All areas, but mainly Sunningdale, Ascot, South Ascot and Windsor

Group III - All areas, but mainly Sunningdale, Ascot, South Ascot and Windsor

Group IV - All areas except Sunningdale

Group V - All areas except Sunningdale

## Costs included in rental fees

### Car parking fees

No car parking fees are payable in addition to the rent.

### Service costs

The majority of purpose-built apartments are subject to an additional fee for maintenance and service costs. These costs vary from block to block, but are generally included in the rental quote. They cover the costs of cleaning and lighting of communal areas, pest control, lifts, porter/concierge wages and security service costs (if applicable).

### Housing taxes

An annual Council Tax is levied on each property, in accordance with the sales value of the property and the local borough practice. It is the tenant's responsibility to pay the Council tax. Council tax for the year 2010-2011 varies from GBP 900 - GBP 2 900 per annum.

## Costs excluded from rental fees

### Deposit/key money

A deposit will typically be between one month and six weeks' rent. If the tenant has pets they may be expected to pay a deposit of up to three months' rent. It is advisable to obtain a receipt for the deposit.

In July 2007 a deposit protection scheme became law in the UK, under which a landlord (or estate agent working on their behalf) has to pay the deposit into a government approved deposit scheme. This is designed to make the return of deposits and settling of disputes easier.

### Estate agent/brokerage fees

Depending on the estate agent used, both the landlord and the tenant may have to pay a fee. The cost is usually between GBP 150 and GBP 300 and relates to administration charges incurred for drawing up the lease and doing credit checks.

### Utilities

Utility prices are not usually included in the rent and the tenant is responsible for payment of utilities consumed. Supply of all utilities is deemed reliable.

Bills for gas, electricity and telephone are sent out quarterly. Water charges are sent out annually and can be paid in two installments. Many people find it easier to pay bills monthly by direct debit.

### Furniture and furnishings

An unfurnished property will have carpets and curtains and usually a fully fitted kitchen. However, washing machines and dishwashers are rarely included. Furnished accommodation will include all necessary furniture and furnishings.

## Brussels, Belgium

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	2,760	550	290	3,600
	Family	2,930	590	320	3,840
Group I (D6)	Single/married	2,430	430	250	3,110
	Family	2,710	470	290	3,470
Group II (D4 & D5)	Single/married	1,690	250	200	2,140
	Family	2,380	360	240	2,980
Group III (D1 - D3)	Single/married	1,440	140	180	1,760
	Family	1,660	170	200	2,030
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	1,370	140	170	1,680
	Family	1,410	140	180	1,730
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	1,160	120	160	1,440
	Family	1,340	130	180	1,650

- Rent allowances are monthly costs in Euros

## Standard assumptions - Brussels

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees & service costs	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees & service costs	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

Uccle, Ixelles and Watermael-Boitsfort, Woluwe-Saint-Pierre, Woluwe-Saint-Lambert and Wezembeek-Oppem  
Tervuren, Overijse and Rhode-Saint-Genese

Group I - Uccle, Woluwe-Saint-Pierre, Watermael-Boitsfort, Tervuren, Overijse and Ixelles  
Group II - Uccle, Woluwe-Saint-Pierre, Watermael-Boitsfort, Tervuren, Overijse and Ixelles  
Group III - Uccle, Woluwe-Saint-Pierre, Watermael-Boitsfort, Tervuren, Overijse and Ixelles  
Group IV - All areas  
Group V - All areas

## Costs included in rental fees

### Car parking fees

EUR 100 - 175 per month.

### Service costs

Renting apartments incurs additional service costs, for cleaning and maintenance of communal areas of the apartment building and garden, as well as communal services such as lighting, elevators, gardening, refuse collection or the services of a concierge. If service charges are levied, the amount will range from EUR 100 - EUR 350 per month depending on what it covers. Such fees are rarely mentioned in the rental price. It is sometimes possible to negotiate the charge.

### Housing taxes

Property tax is borne by the lessor.

## Costs excluded from rental fees

### Deposit/key money

The typical deposit or guarantee is two or three months' rent. This can usually be paid in cash to the lessor but it is advised to have it held at the bank as a 'garantie bancaire'/'bankgarantie' under the signature of the lessee and the lessor. At the end of the tenancy the guarantee and any interest on it will be paid back to the lessee unless the lessor can prove that there has been damage to the property via the 'état des lieux'. Tenants should beware of unscrupulous estate agents who may request illegal, non-refundable deposits.

### Estate agent/brokerage fees

The typical brokerage fee associated with securing accommodation is one month's rent, plus 21% tax, to be paid by the landlord. This is the legal maximum which may be levied.

### Utilities

The tenant is responsible for the payment, in Euros, of utilities consumed.

Electricity and gas meters are read annually, but a fixed amount is paid every two months and the balance paid at the end of the year. Utility bills have to be paid within ten days (gas, electricity, telephone), otherwise the supply will be cut off and a charge made for reconnection. Direct debit or a bank standing order is the most common method of payment.

### Furniture and furnishings

Unfurnished properties will vary in terms of how well-equipped the kitchen is. Some kitchens will only have a sink and some built-in cupboards, while others, described as equipped (*equipee/uitgerust*), will also have a stove and a refrigerator, and perhaps a dishwasher and/or microwave. Unfurnished properties generally do not include carpets, curtains or light fixtures. Furnished properties will have all furnishings and electrical appliances, and sometimes kitchenware and linen.

## Geneva, Switzerland

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	8,700	870	1,270	10,840
	Family	9,680	970	1,470	12,120
<b>Group I (D6)</b>	Single/married	7,350	740	1,040	9,130
	Family	8,530	850	1,200	10,580
<b>Group II (D4 &amp; D5)</b>	Single/married	5,530	550	800	6,880
	Family	7,210	720	1,020	8,950
<b>Group III (D1 - D3)</b>	Single/married	5,000	500	700	6,200
	Family	5,382	540	790	6,712
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	4,050	410	510	4,970
	Family	4,900	490	690	6,080
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	2,700	270	370	3,340
	Family	3,680	370	570	4,620

- Rent allowances are monthly costs in Swiss Francs

## Standard assumptions - Geneva

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Rive Droite (Petit Saconnex, Grand Saconnex, Bellevue, Genthod, Versoix)

Champel, Carouge and Coligny

City centre

Rive Gauche (Thônex, Chêne-Bourg, Chêne-Bourgeries, Veyrier, Vessy, Vesenaz, Corsier, Vandoeuvres)

Group I - All areas

Group II - All areas

Group III - All areas

Group IV - All areas

Group V - All areas

As the ETO is situated on the Right Bank and traffic congestion can make it difficult to commute from one Bank to another, rent allowances are largely based on preferred, upmarket residential areas on or near the Right Bank. Please note, however, that some Right Bank preferred residential areas may be noisy because of their proximity to the Geneva Airport.

**Costs included in rental fees**Car parking fees

Between CHF 100 and CHF 200 for an outside parking place (dependent on the area, more expensive close to the center).

Between CHF 200 and CHF 500 for a parking place in a garage (dependent on the area).

Service costs

Service charges are usually included in the rent as part of the mandatory costs. If paid separately they amount to around 7-10% of the monthly rent, depending on the size of the property and amenities available. They usually include services such as lift maintenance, cleaning and lighting of common areas, concierge and refuse collection.

Housing taxes

The tenant is not usually responsible for taxes on the property. Tenants are liable for a radio/TV tax at a cost of CHF 462 per annum. These costs have been excluded from the mandatory fees and the tenant is liable to pay such fees in addition to the monthly rent.

**Costs excluded from rental fees**

### Deposit/key money

A security deposit of between one and three months' rent is usual for both furnished and unfurnished properties.

### Estate agent/brokerage fees

The concept of the agency fee is very rare in Switzerland. Most real estate agencies are management agencies, and they are paid by the landlord to manage their properties.

### Utilities

Utilities are not normally included in the rent.

It is likely that a deposit will be requested when setting up electricity, gas and water supplies. Bills are paid quarterly, but meters are usually checked every six months.

All utility supplies are deemed reliable.

### Furniture and furnishings

Unfurnished property will generally include carpets and/or wooden or tile flooring. There may be electric light fittings in the bathroom, kitchen and hallway. It should be noted that kitchens are often small, even in many large houses. Houses specifically aimed at expatriates tend to have fully equipped kitchens. Partly furnished accommodation will have some non-fitted cupboards and one or two pieces of furniture. Fully furnished accommodation will be completely furnished including an equipped kitchen, linen and household appliances (e.g. ironing board, vacuum cleaner). In furnished accommodation, the standard of furnishings will vary greatly.

## London, UK

Rank/Grade	Family size	Rent allowance (furnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	6,800	0	210	7,010
	Family	8,500	0	230	8,730
<b>Group I (D6)</b>	Single/married	5,270	0	160	5,430
	Family	6,510	0	180	6,690
<b>Group II (D4 &amp; D5)</b>	Single/married	3,170	0	110	3,280
	Family	4,390	0	130	4,520
<b>Group III (D1 - D3)</b>	Single/married	2,500	0	100	2,600
	Family	2,920	0	110	3,030
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	2,140	0	90	2,230
	Family	2,450	0	90	2,540
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	1,660	0	80	1,740
	Family	2,100	0	80	2,180

- Rent allowances are monthly costs in Sterling

## Standard assumptions - London

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	3 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Cost included in rent allowance	Housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## **Suitable areas**

Bloomsbury, Canary Wharf, Chelsea, City, Docklands, Knightsbridge, Marble Arch, Notting Hill, Soho, and South Kensington. Battersea, Bayswater, Camden, Clapham, Fulham, Islington and Maida Vale

Chiswick, Hampstead, Marylebone, Wandsworth and Wimbledon

Group I - Zone 1 Bloomsbury, Chelsea, City, Knightsbridge, Marble Arch, Notting Hill and South Kensington

Group II - Zone 1 Bloomsbury, Chelsea, City, Knightsbridge, Marble Arch, Notting Hill and South Kensington

Group III - Zone 1 Bloomsbury, Chelsea, City, Knightsbridge, Marble Arch, Notting Hill, South Kensington, Soho, Marylebone, Islington, Fulham, Maida Vale, Hampstead, Wimbledon and Chiswick

Group IV - All areas except Knightsbridge, South Kensington and Bloomsbury

Group V - All areas except Knightsbridge, South Kensington and Bloomsbury

## Car parking fees

No car parking fees are payable in addition to the rent.

## Service costs

The majority of purpose-built apartments are subject to an additional fee for maintenance and service costs. These costs vary from block to block, but are generally included in the rental quote. They cover the costs of cleaning and lighting of communal areas, pest control, lifts, porter/concierge wages and security service costs (if applicable).

## Housing taxes

An annual Council Tax is levied on each property, in accordance with the sales value of the property and the local borough practice. It is the tenant's responsibility to pay the Council Tax. Council Tax for the year 2010-2011 varies from GBP 800 - GBP 2 800 per annum.

## **Costs excluded from rental fees**

### Deposit/key money

A deposit will typically be between one month and six weeks' rent. If the tenant has pets they may be expected to pay a deposit of up to three months' rent. It is advisable to obtain a receipt for the deposit.

In July 2007 a deposit protection scheme became law in the UK, under which a landlord (or estate agent working on their behalf) has to pay the deposit into a government approved deposit scheme. This is designed to make the return of deposits and settling of disputes easier.

### Estate agent/brokerage fees

Depending on the estate agent used, both the landlord and the tenant may have to pay a fee. The cost is usually between GBP 150 and GBP 300 and relates to administration charges incurred for drawing up the lease and doing credit checks.

### Utilities

Utility prices are not usually included in the rent and the tenant is responsible for payment of utilities consumed. Supply of all utilities is deemed reliable.

Bills for gas, electricity and telephone are sent out quarterly. Water charges are sent out annually and can be paid in two installments. Many people find it easier to pay bills monthly by direct debit.

### Furniture and furnishings

An unfurnished property will have carpets and curtains and usually a fully fitted kitchen. However, washing machines and dishwashers are rarely included. Furnished accommodation will include all necessary furniture and furnishings.

## Lyon, France

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	2,020	400	490	2,910
	Family	2,090	420	500	3,010
<b>Group I (D6)</b>	Single/married	1,820	360	450	2,630
	Family	2,000	400	480	2,880
<b>Group II (D4 &amp; D5)</b>	Single/married	1,580	320	380	2,280
	Family	1,740	350	410	2,500
<b>Group III (D1 - D3)</b>	Single/married	1,340	270	330	1,940
	Family	1,570	310	370	2,250
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	1,250	250	300	1,800
	Family	1,330	270	310	1,910
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	950	190	240	1,380
	Family	1,240	250	300	1,790

- Rent allowances are monthly costs in Euros

## Standard assumptions - Lyon

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 20 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 20 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees, service costs & housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

LYON - 6ème arrondissement (Parc de la Tête d'Or), LYON - 2ème arrondissement (Presqu'île)  
LYON - 4ème arrondissement (Croix Rousse)  
LYON - 3ème arrondissement (Montchat + Préfecture) and 7ème (Monplaisir – Lumière)  
MONTS DU LYONNAIS : Ecully, Tassin, Charbonnières, Sainte Foy les Lyon  
MONTS D'OR : St Cyr, St Didier, Limonest

Group I - LYON - 6ème arrondissement (Parc de la Tête d'Or), LYON - 2ème arrondissement (Presqu'île), 4ème arrondissement (Croix Rousse),  
Group II - LYON - 6ème arrondissement (Parc de la Tête d'Or), LYON - 2ème arrondissement (Presqu'île), 4ème arrondissement (Croix Rousse),  
Group III - All areas  
Group IV - All areas  
Group V - All areas

## Costs included in rental fees

### Car parking fees

60 to 120 euros depending on the area (garage or parking place).

### Service costs

Service charges will vary from 5-15% of the monthly rental cost.

### Housing taxes

There are two types of property tax in France: taxe d'habitation (housing tax) and taxe foncière (property tax). The taxe d'habitation varies greatly according to the location of the accommodation, the size and the date of construction (approximately one month's rent). It is to be paid to the Treasury by any person occupying the dwelling in question on 1 January. The tenant is liable to pay this tax for the entire year, regardless of their length of occupancy. Television tax, or redevance audiovisuelle, is collected as part of the annual housing tax and is included in the mandatory fees. Property tax is usually paid by the owner of the property.

## Costs excluded from rental fees

### Deposit/key money

A deposit of two months' rent is usually required. To avoid difficulties when reclaiming the deposit, it is worthwhile having the property checked officially at the beginning of the lease by a bailiff (huissier) whose fees are usually split between the landlord and tenant. A legal document called l'état des lieux must be prepared and signed, giving a detailed description of the condition of the premises. For furnished properties, it will also include an inventory of the contents.

### Estate agent/brokerage fees

The typical brokerage fee associated with securing accommodation is approximately one to two months' rent (plus 19.6% VAT), to be shared between the tenant and the owner, if the property is unfurnished. For furnished properties, the tenant is responsible for the entire payment. There is no legal maximum to the brokerage fee.

### Utilities

The tenant is responsible for utilities consumed. They may be included in the rent, but will usually be payable separately. All utilities are deemed reliable, with no shortages or fluctuations in supply.

### Furniture and furnishings

If properties are furnished, the quality of furnishings ranges from standard to up-market and elegant and can include items such as crockery, tea towels and sheets. The inclusion of furnishings, however, can add up to 15% to the rental value.

## Manila, Philippines

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	241,400	72,420	31,140	344,960
	Family	286,670	86,000	35,670	408,340
Group I (D6)	Single/married	188,500	56,550	25,850	270,900
	Family	236,670	71,000	30,670	338,340
Group II (D4 & D5)	Single/married	133,670	40,100	18,370	192,140
	Family	188,330	56,500	23,830	268,660
Group III (D1 - D3)	Single/married	99,280	29,780	14,930	143,990
	Family	120,750	36,230	17,080	174,060
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	89,080	26,720	13,910	129,710
	Family	97,330	29,200	14,730	141,260
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	76,000	22,800	12,600	111,400
	Family	87,330	26,200	13,730	127,260

- Rent allowances are monthly costs in Philippine Pesos

## Standard assumptions - Manila

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 45 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 45 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 45 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 45 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Bel-Air, Salcedo Village, One Roxas Triangle and the Rockwell Center  
Urdaneta Village, San Lorenzo and Legaspi Village  
Dasmariñas Village and Forbes Park  
Alabang and Fort Bonifacio

Group I - All areas, but mainly Bel-Air, Salcedo Village, One Roxas Triangle and the Rockwell Center  
Group II - All areas, but mainly Bel-Air, Salcedo Village, One Roxas Triangle and the Rockwell Center  
Group III - All areas  
Group IV - All areas  
Group V - All areas

**Costs included in rental fees**Car parking fees

This only applies in condominiums and nowadays, it may cost between PHP 5,000 to PHP 7,000 per month.

Service costs

Residents in village-style compounds will have to pay additional service charges, referred to as association dues. For apartments, association dues are sometimes included in the rent; this can be negotiated. The cost is calculated according to the floor area of the property. Typical costs are PHP 21 - PHP 26 per square metre for villages, and PHP 55 - PHP 90 per square metre for apartment complexes. This covers the cleaning and lighting of communal areas, security, refuse collection, gardening, concierge, lifts and the use of recreational facilities.

Housing taxes

Leases contracted with corporations are subject to a 5% withholding tax and a 12% Value Added Tax. The withholding tax is deducted from the rent at source and remitted by the lessee to the Bureau of Internal Revenue. A tax credit certificate is then forwarded to the lessor. VAT can either be charged separately or included in the rent.

**Costs excluded from rental fees**Deposit/key money

In addition to the advance rental payment, a landlord will request a deposit, typically equivalent to two months' rent. The deposit cannot be used as payment for any rent due or utilities not paid by the tenant.

### Estate agent/brokerage fees

The typical brokerage fees associated with securing accommodation is one month's rent, payable by the landlord. Local estate agents work with multiple listings. Metro-Manila is nevertheless known for its excessively competitive estate agents and unlicensed brokers. It is advisable to be circumspect about housing budgets to brokers.

### Utilities

Utility charges are not included in the lease unless specifically negotiated. Air-conditioning is necessary and will be installed in most expatriate accommodation.

A good-quality air-conditioning unit will cost PHP 12 000 - PHP 23 000, with installation included in the price.

### Furniture and furnishings

Unfurnished accommodation is essentially a bare unit. One can expect to find lighting fixtures and fittings. Some unfurnished properties may also include air-conditioning units, kitchen cabinets, bathroom units, and sometimes wardrobes in the bedroom. Partly furnished properties will generally include kitchen appliances, a washing machine and air-conditioning units. A fully furnished property will have all necessary furniture, as well as kitchen appliances, curtains and air-conditioning.

## Montreal, Canada

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	3,750	940	180	4,870
	Family	4,240	1,060	180	5,480
<b>Group I (D6)</b>	Single/married	2,730	680	150	3,560
	Family	3,680	920	150	4,750
<b>Group II (D4 &amp; D5)</b>	Single/married	1,930	480	100	2,510
	Family	2,680	670	100	3,450
<b>Group III (D1 - D3)</b>	Single/married	1,490	370	80	1,940
	Family	1,750	440	80	2,270
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	1,370	340	80	1,790
	Family	1,460	370	80	1,910
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	1,250	310	80	1,640
	Family	1,340	340	80	1,760

- Rent allowances are monthly costs in Canadian dollars

## Standard assumptions - Montreal

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Old Montreal, Westmount, Côte des Neiges, Mount Royal and Nuns' Island

Group I - Old Montreal, Westmount, Côte des Neiges, Mount Royal and city centre/downtown area

Group II - Old Montreal, Westmount, Côte des Neiges, Mount Royal and city centre/downtown area

Group III - Old Montreal, Westmount, Côte des Neiges, Mount Royal and city centre/downtown area

Group IV - All areas

Group V - All areas

**Costs included in rental fees**Car parking fees

CAD 75.00 - 300.00 (higher rates usually in downtown apartments where parking is very limited).

Service costs

Service charges for apartments are usually included in the rent, and will cover cleaning and lighting of common building areas, lift maintenance, vermin and pest control, snow removal, sewerage and concierge.

Housing taxes

Housing taxes are not payable by the tenant.

**Costs excluded from rental fees**Deposit/key money

A security deposit is usually required for rental accommodation and is usually equivalent to either half or the whole of the first month's rent, payable at the signing of the lease. Prospective tenants in Toronto are required to provide the first and last months' rent upon acceptance of an offer to lease.

Estate agent/brokerage fees

Brokerage fees, typically equivalent to one month's rent, are usually paid by the landlord. Local estate agents acting on behalf of foreign home-seekers will often charge a similar fee for a home-finding service. There is no legal maximum to the brokerage fee which may be levied. Estate agents in Toronto work with multiple listings; those in Vancouver and Montreal do not.

### Utilities

The tenant is responsible for payment of utilities consumed. A few apartments will have gas and water charges included in the rental price. All utility costs are charged and paid in Canadian dollars.

### Furniture and furnishings

Unfurnished properties will include lighting fixtures, kitchen units/cabinets and bathroom units. In Montreal, some properties described as unfurnished will include some kitchen appliances. Other electrical appliances, such as a washing machine and a drier, a dishwasher and a microwave, are often also included. Partly furnished properties will include appliances and some furniture. This will vary depending on the landlord. Furnished properties will usually come with all furniture and major electrical appliances, including televisions, stereo equipment and air conditioning. Kitchen utensils and linen will typically also be included. The standard of furnishings varies from basic to high.

## New York, USA

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	12,550	1,880	350	14,780
	Family	14,700	2,210	350	17,260
Group I (D6)	Single/married	9,930	1,490	350	11,770
	Family	12,390	1,860	350	14,600
Group II (D4 & D5)	Single/married	5,660	1,130	300	7,090
	Family	8,200	1,480	300	9,980
Group III (D1 - D3)	Single/married	4,880	1,220	250	6,350
	Family	5,070	1,270	250	6,590
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	4,210	1,050	250	5,510
	Family	4,780	1,200	250	6,230
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	2,930	730	230	3,890
	Family	3,150	790	230	4,170

- Rent allowances are monthly costs in US dollars

## Standard assumptions – New York

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 75 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 75 minutes	2 to 3 bedroom apartment	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 75 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 75 minutes	2 to 3 bedroom apartment	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Upper East Side, Upper West Side, Greenwich Village, SoHo, TriBeCa and Chelsea

Group I - All areas  
Group II - All areas  
Group III - All areas  
Group IV - All areas  
Group V - All areas

**Costs included in rental fees**Car parking fees

In Manhattan, \$300-400 per vehicle, in or close to, the building. \$200-250 if drivers park at one of the large garages near the two rivers, which often requires a taxi ride to get to garage.

Service costs

Any service charges tend to be included in the rental price, but this needs to be confirmed with the landlord. These will generally cover the cost of cleaning and lighting of common building areas, vermin and pest control, refuse collection, lifts, sewerage, snow removal, gardening and janitor services. Maintenance of special amenities such as tennis courts, swimming pool or golfing facilities, where available, may incur additional costs. Tenants in some buildings may also be asked to pay a moving out fee to the building management to cover the costs of protecting the walls and saving a lift for their use; these costs will vary from building to building.

Housing taxes

Tenants are not usually responsible for housing taxes charged on properties.

**Costs excluded from rental fees**Deposit/key money

One to two months' rent is the typical security deposit required. In some cases landlords may also require the first and last month's rent to be paid in advance along with the security deposit. Additional deposits for people with pets should be expected.

Estate agent/brokerage fees

Landlords and management companies of apartment buildings often cover the realtor fees. One month's rent is the typical brokerage fee where it is applicable to the tenant. However, there is no legal maximum to the brokerage fee that can be charged, usually just an industry standard.

### Utilities

Utility costs are not usually included in the rent, although some apartments may include water costs. Generally no utility costs are covered by the rent for houses. Utility supply across the country is reliable.

It is now common to be asked to provide details of a valid social security account before a utility account can be established. Some companies will also require deposits for utility accounts, due to a transferee's lack of US credit history.

The supply and cost of utilities, especially heat and light, varies tremendously across the country. In addition, air-conditioning can add considerable expense when used extensively. In areas where air conditioning is required, any quality expatriate housing will have an inbuilt central cooling system.

### Furniture and furnishings

In unfurnished accommodation, expect no furnishings of any kind except perhaps for a fully-equipped kitchen (usually stove, oven, refrigerator and sometimes microwave). One may also reasonably expect to find carpets and curtains. Apartment complexes usually have laundry rooms. Furnished properties are more or less complete and will include all major electrical appliances.

## San Francisco, USA

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	5,780	870	300	6,950
	Family	6,520	980	300	7,800
Group I (D6)	Single/married	4,540	680	300	5,520
	Family	5,670	850	300	6,820
Group II (D4 & D5)	Single/married	3,410	580	250	4,240
	Family	4,520	770	250	5,540
Group III (D1 - D3)	Single/married	2,980	600	180	3,760
	Family	3,290	660	180	4,130
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	2,780	560	180	3,520
	Family	2,920	580	180	3,680
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	2,550	510	150	3,210
	Family	2,700	540	150	3,390

- Rent allowances are monthly costs in US dollars

## Standard assumptions – San Francisco

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

South of Market, South Beach, Marina, Cow Hollow, Pacific Heights, Presidio Heights Noe Valley, Upper market, Cole Valley, Ashbury Heights. Russian Hill, Nob Hill, Hillsborough, Burlingame and Piedmont, Lakeshore, Atherton, Palo Alto and Los Alto

Group I - South of Market, South Beach, Marina, Cow Hollow, Pacific Heights, Presidio Heights Noe Valley, Upper market, Cole Valley, Ashbury Heights. Russian Hill, Nob Hill, Hillsborough, Burlingame and Piedmont

Group II - South of Market, South Beach, Marina, Cow Hollow, Pacific Heights, Presidio Heights Noe Valley, Upper market, Cole Valley, Ashbury Heights. Russian Hill, Nob Hill, Hillsborough, Burlingame and Piedmont

Group III - South of Market, South Beach, Marina, Cow Hollow, Pacific Heights, Presidio Heights Noe Valley, Upper market, Cole Valley, Ashbury Heights. Russian Hill, Nob Hill, Hillsborough, Burlingame and Piedmont

Group IV - All areas

Group V - All areas

## Costs included in rental fees

### Car parking fees

\$150-\$400 a month for a parking space.

### Service costs

Any service charges tend to be included in the rental price, but this needs to be confirmed with the landlord. These will generally cover the cost of cleaning and lighting of common building areas, vermin and pest control, refuse collection, lifts, sewerage, snow removal, gardening and janitor services. Maintenance of special amenities such as tennis courts, swimming pool or golfing facilities, where available, may incur additional costs. Tenants in some buildings may also be asked to pay a moving out fee to the building management to cover the costs of protecting the walls and saving a lift for their use; these costs will vary from building to building.

### Housing taxes

Tenants are not usually responsible for housing taxes charged on properties.

## Costs excluded from rental fees

### Deposit/key money

One to two months' rent is the typical security deposit required. In some cases landlords may also require the first and last month's rent to be paid in advance along with the security deposit. Additional deposits for people with pets should be expected.

### Estate agent/brokerage fees

Landlords and management companies of apartment buildings often cover the realtor fees. One month's rent is the typical brokerage fee where it is applicable to the tenant. However, there is no legal maximum to the brokerage fee that can be charged, usually just an industry standard.

### Utilities

Utility costs are not usually included in the rent, although some apartments may include water costs. Generally no utility costs are covered by the rent for houses. Utility supply across the country is reliable.

It is now common to be asked to provide details of a valid social security account before a utility account can be established. Some companies will also require deposits for utility accounts, due to a transferee's lack of US credit history.

The supply and cost of utilities, especially heat and light, varies tremendously across the country. In addition, air-conditioning can add considerable expense when used extensively. In areas where air conditioning is required, any quality expatriate housing will have an inbuilt central cooling system.

### Furniture and furnishings

In unfurnished accommodation, expect no furnishings of any kind except perhaps for a fully-equipped kitchen (usually stove, oven, refrigerator and sometimes microwave). One may also reasonably expect to find carpets and curtains. Apartment complexes usually have laundry rooms. Furnished properties are more or less complete and will include all major electrical appliances.

## Singapore

Rank/Grade	Family size	Rent allowance (partly furnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
Group I (D8)	Single/married	14,910	1,800	760	17,470
	Family	16,500	1,980	770	19,250
Group I (D6)	Single/married	11,830	1,800	750	14,380
	Family	14,620	1,800	760	17,180
Group II (D4 & D5)	Single/married	7,200	1,210	730	9,140
	Family	11,600	1,800	750	14,150
Group III (D1 - D3)	Single/married	5,410	1,100	720	7,230
	Family	6,760	1,210	730	8,700
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	4,700	1,000	720	6,420
	Family	5,300	1,100	720	7,120
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	3,900	1,000	720	5,620
	Family	4,500	1,100	720	6,320

- Rent allowances are monthly costs in Singapore dollars

## Standard assumptions - Singapore

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 45 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 45 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 45 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees & housing taxes	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 45 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees & housing taxes	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

District 9, District 10, District 11 and East Coast

Group I - District 9, District 10

Group II - District 9, District 10

Group III - District 9, District 10, District 11

Group IV - All areas

Group V - All areas

**Costs included in rental fees**Car parking fees

Range from 700 to 2000 SGD per month.

Service costs

Service charges for apartments are usually included in the rent.

Housing taxes

The tenant is responsible for the stamp duty on the lease; this is a nominal amount paid for every SGD 250 of the annual rental amount. This is worked out by finding the annual average rent, dividing this by 250, then multiplying by the correct amount (by one for one year leases, by two for more than one year and less than three years, and by four for above three years). This payment will work out to be approximately 5%, 10% or 20% of the monthly rent depending on the length of the lease.

**Costs excluded from rental fees**Deposit/key money

A holding deposit is payable with the application for the property and amounts to one month's rent. If the property is then occupied, this payment will usually constitute the first month's rent. A further deposit will need to be paid when the tenancy is agreed and this usually amounts to 2-3 month's rent.

Estate agent/brokerage fees

If the monthly rent is above SGD 2 500, then the landlord is liable for the brokerage fee. If the monthly rent is equal to or below SGD 2 500, then the tenant is liable to pay the brokerage fee, which is half a month's rent per year of the lease.

### Utilities

Public utilities (water, refuse collection and electricity) and telephone charges are excluded from the lease and the financial responsibility lies with the tenant. Bills are payable monthly.

Utilities are all reported to be reliable.

Air conditioning will already be installed in expatriate accommodation.

### Furniture and furnishings

Rented accommodation is either partly or fully furnished. However, most owners prefer to let out their properties partly furnished, providing appliances like air-conditioners to the bedrooms and living/dining areas as well as a cooker, hob oven or microwave oven, refrigerator, washing machine, drier and curtains. Where the property is let fully furnished, this normally includes a dining room set, lounge set and bedroom furniture, as well as the items previously listed. Crockery and linen provision is rare.

Air-conditioning is required, but units are usually installed in expatriate accommodation.

## Sydney, Australia

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	8,380	1,010	600	9,990
	Family	10,200	1,220	600	12,020
<b>Group I (D6)</b>	Single/married	6,070	910	600	7,580
	Family	8,220	1,070	600	9,890
<b>Group II (D4 &amp; D5)</b>	Single/married	4,080	820	400	5,300
	Family	5,670	960	400	7,030
<b>Group III (D1 - D3)</b>	Single/married	3,180	800	400	4,380
	Family	3,530	880	400	4,810
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	2,850	710	400	3,960
	Family	3,120	780	400	4,300
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	2,580	650	350	3,580
	Family	2,780	700	350	3,830

- Rent allowances are monthly costs in Australian dollars

## Standard assumptions – Sydney

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

City centre, Mosman, Balmoral, Cremorne and Neutral Bay: Pymble, Killara, Lindfield, Roseville and Gordon, Glebe, Annandale, Milson's Point, Lavender Bay, Jackson's landing and Darling Island

Group I - All areas  
Group II - All areas  
Group III - All areas  
Group IV - All areas  
Group V - All areas

**Costs included in rental fees**Car parking fees

\$100 - \$200 per week.

Service costs

Service charges for apartments are included in the rent. These cover the cost of cleaning and lighting of common building areas, gardening, lifts and concierge (where applicable). For houses, garden and pool maintenance and cleaning services are usually the tenant's responsibility, although they can be negotiated into the rental price.

Housing taxes

Housing taxes are not usually payable by the tenant.

**Costs excluded from rental fees**Deposit/key money

The maximum amount of deposit (bond in Australia) to be paid differs from state to state.

In Sydney, the maximum bond is the equivalent of four weeks' rent if the property is unfurnished. For furnished properties where the rent is less than AUD 250 per week, the bond is six weeks' rent. For furnished properties where rent is AUD 250 or more per week, there is no maximum bond.

### Estate agent/brokerage fees

The tenant is not liable for any estate agency fees, as these are covered by the landlord.

### Utilities

All utilities are paid in Australian dollars. The rent does not include utility costs, although some apartment rentals might include water charges. Many cities can be extremely hot and while air conditioning is not absolutely essential, it can make life more comfortable. Most modern apartments at the top of the rental range come equipped with air-conditioning units, and electric fans are standard in accommodation in northern states. However, if these units have to be installed they can be expensive.

### Furniture and furnishings

An unfurnished property will have flooring and window and light fittings, as well as some essential kitchen appliances. Furnished accommodation will include all furniture, as well as a fully-fitted kitchen, providing most major electrical appliances (refrigerator, washing machine, oven, hot-plates, microwave, dishwasher), as well as cutlery, crockery, pots and pans. Linens are more likely to be provided in short-term, furnished accommodation.

## Tokyo, Japan

Rank/Grade	Family size	Rent allowance (partly furnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	1,411,000	88,948	80,000	1,579,948
	Family	1,558,330	97,843	80,000	1,736,173
<b>Group I (D6)</b>	Single/married	1,153,450	84,938	80,000	1,318,388
	Family	1,383,330	88,948	80,000	1,552,278
<b>Group II (D4 &amp; D5)</b>	Single/married	748,330	89,020	50,000	887,350
	Family	1,130,830	84,938	50,000	1,265,768
<b>Group III (D1 - D3)</b>	Single/married	654,910	80,928	50,000	785,838
	Family	717,500	89,020	50,000	856,520
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	611,490	76,917	50,000	738,407
	Family	642,060	80,928	50,000	772,988
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	536,750	76,917	45,000	658,667
	Family	599,500	80,928	45,000	725,428

- Rent allowances are monthly costs in Japanese Yen

## Standard assumptions - Tokyo

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 30 minutes	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 30 minutes	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multi-national corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

## Suitable areas

Minato-Ku (Roppongi, Akasaka, Azabu, Hiroo, Aoyama, Omotesando, Harajuku, Shiba-ura and Shingawa), Shibuya-Ku (Shoto, Daikanyama, Ebisu), Yoyogi, Nakameguro, Gakugeidaigaku, Himonya, Kakinokizaka, Yakumo, Shiodome, Sanbancho and Hirakawa-cho

Group I - Minato-Ku, Shibuya-Ku  
Group II - Minato-Ku, Shibuya-Ku  
Group III - All areas  
Group IV - All areas  
Group V - All areas

## Costs included in rental fees

### Car parking fees

50,000 - 80,000 yen per month.

### Service costs

Service charges (kanrihi) are generally included in the rent. These cover the cost of cleaning and lighting of common building areas, pest control, lifts, refuse collection and concierge.

### Housing taxes

Housing taxes are not payable by the tenant. However, tenants need to be aware of ward tax, also known as residence tax, or *shiminzei*, the level of which is based on the previous year's income. This means the first year of residence in Japan is exempt from *shiminzei*.

## Costs excluded from rental fees

### Deposit/key money

Depending on the landlord, expatriates may be asked to put down a deposit (shikikin), the refund of which is contingent upon satisfactory return of the property in its original state. This one-time non-interest bearing deposit may range from three to six months' rent, although it is usually two months' rent for Japanese residents. Some apartments will also require payment of non-refundable key money (reikin) to the landlord which will usually be equivalent to 1-2 months' rent. This is more common in apartments with rents towards the lower end of the price range.

### Estate agent/brokerage fees

Brokerage fees (chukairyo) usually amount to one month's rent, which is the legal maximum. This must be paid upon the conclusion of the lease contract.

### Utilities

Utilities (Kokyo ryokin) are not usually included in the rent. The majority of Japanese housing does not include central heating; instead portable kerosene heaters are often used in winter to heat a room. Kerosene is usually purchased from a gas filling station and stored in plastic containers. Kerosene heaters are more common in northern Japan where the winters are especially severe. Expatriate properties in Tokyo are more likely to use air-conditioning systems for heating purposes.

All utilities are deemed reliable and no shortages are reported.

### Furniture and furnishings

Furnished properties are extremely rare, aside from short-term rental serviced apartments. The majority of modern western-style accommodation is rented out partly-furnished, and will include a washer/drier, refrigerator and possibly a dishwasher. Some properties may even include an oven, although, due to limited kitchen space, this is not always the case. These properties will also usually be equipped with gas or electric air-conditioners/heaters, as central heating is still rare. Most Japanese-style apartments are rented completely unfurnished.

## Toronto, Canada

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	5,610	1,400	300	7,310
	Family	7,240	1,810	300	9,350
<b>Group I (D6)</b>	Single/married	3,800	1,030	300	5,130
	Family	5,340	1,600	300	7,240
<b>Group II (D4 &amp; D5)</b>	Single/married	2,300	870	150	3,320
	Family	3,730	1,190	200	5,120
<b>Group III (D1 - D3)</b>	Single/married	1,710	770	100	2,580
	Family	2,020	910	200	3,130
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	1,610	720	100	2,430
	Family	1,630	730	200	2,560
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	1,300	590	100	1,990
	Family	1,500	680	200	2,380

- Rent allowances are monthly costs in Canadian dollars

## Standard assumptions - Toronto

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Downtown, Harbourfront, Yorkville and Rosedale, Markham, Unionville, Oakville, North York, Banbury, Don Mills, Lawrence Park and Lytton Park

Group I - Downtown, Harbourfront, Yorkville and Rosedale  
Group II - Downtown, Harbourfront, Yorkville and Rosedale  
Group III - Downtown, Harbourfront, Yorkville and Rosedale  
Group IV - All areas  
Group V - All areas

**Costs included in rental fees**Car parking fees

\$100 - \$300 per month.

Service costs

Service charges for apartments are usually included in the rent, and will cover cleaning and lighting of common building areas, lift maintenance, vermin and pest control, snow removal, sewerage and concierge.

Housing taxes

Housing taxes are not payable by the tenant.

**Costs excluded from rental fees**Deposit/key money

A security deposit is usually required for rental accommodation and is usually equivalent to either half or the whole of the first month's rent, payable at the signing of the lease. Prospective tenants in Toronto are required to provide the first and last months' rent upon acceptance of an offer to lease.

Estate agent/brokerage fees

Brokerage fees, typically equivalent to one month's rent, are usually paid by the landlord. Local estate agents acting on behalf of foreign home-seekers will often charge a similar fee for a home-finding service. There is no legal maximum to the brokerage fee which may be levied. Estate agents in Toronto work with multiple listings; those in Vancouver and Montreal do not.

### Utilities

The tenant is responsible for payment of utilities consumed. A few apartments will have gas and water charges included in the rental price. All utility costs are charged and paid in Canadian dollars.

### Furniture and furnishings

Unfurnished properties will include lighting fixtures, kitchen units/cabinets and bathroom units. In Toronto, unfurnished apartments will typically come with a refrigerator and a stove. Other electrical appliances, such as a washing machine and a drier, a dishwasher and a microwave, are often also included. Partly furnished properties will include appliances and some furniture. This will vary depending on the landlord. Furnished properties will usually come with all furniture and major electrical appliances, including televisions, stereo equipment and air conditioning. Kitchen utensils and linen will typically also be included. The standard of furnishings varies from basic to luxurious.

## Washington, DC, USA

Rank/Grade	Family size	Rent allowance (unfurnished)	Additional rent allowance (furnished accommodation)	Mandatory charges	Total costs
<b>Group I (D8)</b>	Single/married	4,970	990	300	6,260
	Family	5,630	1,130	300	7,060
<b>Group I (D6)</b>	Single/married	4,030	810	200	5,040
	Family	4,730	950	200	5,880
<b>Group II (D4 &amp; D5)</b>	Single/married	2,900	870	150	3,920
	Family	3,760	940	150	4,850
<b>Group III (D1 - D3)</b>	Single/married	2,210	770	100	3,080
	Family	2,570	900	100	3,570
<b>Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)</b>	Single/married	2,100	740	50	2,890
	Family	2,170	760	50	2,980
<b>Group V (MPS 44 &amp; below PPS 48 &amp; below GDS(O) 32 &amp; below)</b>	Single/married	1,890	660	50	2,600
	Family	1,950	680	50	2,680

- Rent allowances are monthly costs in US dollars

## Standard assumptions Washington, DC

Rank/Grade	Family size	Residential area	Distance from ETO/ Organisation	Accommodation type*	Market position	Furnished accommodation*	Additional mandatory costs	Utilities practice
<b>Group I (D8)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group I (D6)</b>	Single/married	Refer to suitable areas below	Less than 10 km	3 bedroom apartment & houses	Upper-end of market	Average of 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Upper-end of market	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group II (D4 &amp; D5)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium to upper	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium to upper	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group III (D1 - D3)</b>	Single/married	Refer to suitable areas below	Less than 10 km	2 to 3 bedroom apartment & houses	Medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 10 km	3 to 4 bedroom apartment & houses	Medium	Average of 3 to 4 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group IV</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low to medium	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low to medium	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices
<b>Group V</b>	Single/married	Refer to suitable areas below	Less than 60 minutes	2 bedroom apartment	Low	2 bedroom apartment	Car parking fees	Utilities are not usually included in the rental prices
	Family	Refer to suitable areas below	Less than 60 minutes	2 to 3 bedroom apartment & houses	Low	Average of 2 to 3 bedroom apartment & houses	Car parking fees	Utilities are not usually included in the rental prices

\* The (furnished) accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

**Suitable areas**

Georgetown, Woodley Park and Cleveland Park, Arlington, Potomac and Bethesda

Group I - All areas  
Group II - All areas  
Group III - All areas  
Group IV - All areas  
Group V - All areas

**Costs included in rental fees**Car parking fees

\$50-\$300 per vehicle, in or close to, the building.

Service costs

Any service charges tend to be included in the rental price, but this needs to be confirmed with the landlord. These will generally cover the cost of cleaning and lighting of common building areas, vermin and pest control, refuse collection, lifts, sewerage, snow removal, gardening and janitor services. Maintenance of special amenities such as tennis courts, swimming pool or golfing facilities, where available, may incur additional costs. Tenants in some buildings may also be asked to pay a moving out fee to the building management to cover the costs of protecting the walls and saving a lift for their use; these costs will vary from building to building. In Washington, DC, the service charge if not included is 7% per month.

Housing taxes

Tenants are not usually responsible for housing taxes charged on properties.

**Costs excluded from rental fees**Deposit/key money

One to two months' rent is the typical security deposit required. In some cases landlords may also require the first and last month's rent to be paid in advance along with the security deposit. Additional deposits for people with pets should be expected.

Estate agent/brokerage fees

Landlords and management companies of apartment buildings often cover the realtor fees. One month's rent is the typical brokerage fee where it is applicable to the tenant. However, there is no legal maximum to the brokerage fee that can be charged, usually just an industry standard.

### Utilities

Utility costs are not usually included in the rent, although some apartments may include water costs. Generally no utility costs are covered by the rent for houses. Utility supply across the country is reliable.

It is now common to be asked to provide details of a valid social security account before a utility account can be established. Some companies will also require deposits for utility accounts, due to a transferee's lack of US credit history.

The supply and cost of utilities, especially heat and light, varies tremendously across the country. In addition, air-conditioning can add considerable expense when used extensively. In areas where air conditioning is required, any quality expatriate housing will have an inbuilt central cooling system.

### Furniture and furnishings

In unfurnished accommodation, expect no furnishings of any kind except perhaps for a fully-equipped kitchen (usually stove, oven, refrigerator and sometimes microwave). One may also reasonably expect to find carpets and curtains. Apartment complexes usually have laundry rooms. Furnished properties are more or less complete and will include all major electrical appliances.

## Review of rent allowances

ECA International is one of a few specialist researchers and providers of expatriate accommodation data on a worldwide basis. The main objective of the Consultancy Study is to develop an objective system for setting and revising the rent allowance for different groups of staff in the specified cities of posting. The following document recommends a method for periodic revision of the rent allowance rates as covered in the Consultancy Brief such that the HKSAR Government can review the rates on a regular basis.

There are several options available for reviewing appropriate rent allowances, and they are set out in the ensuing paragraphs.

### Short-term regular review of the rent allowances

#### OPTION 1 - Fixing the Rent Allowances

One approach to rent allowances is to fix them for a specified term, (e.g. three years, or the duration of the assignment), carrying out interim reviews only where specified trigger points are met, (e.g. where the market indicates changes of + or – 10%).

This approach may be adopted by organisations with short-term assignments or mobile staff, those looking to control costs and minimise administration.

#### Advantages and disadvantages

The appeal of this method is its low maintenance approach. Rent allowances are fixed once using the current, precise system and reviewed periodically in the same way, ultimately reducing workload, cost and use of resources.

The disadvantage is that rental markets can change quickly, as has been seen in recent years, which will result in reviews in those cities that require it. The HKSAR Government may also come under considerable pressure from employees in situ where no such interim reviews take place if it is felt that changes in conditions are neither considered nor reflected in allowances which are fixed for an extended period of time (more than one year).

#### OPTION 2 - Setting of Rental Index

ECA International recommends that rent allowances are reviewed on an annual basis and that the entire rent allowance system adopted is reviewed on a medium to long-term basis, every three to five years.

- Approach 1 - Updating rent allowance rates using city-specific rental indices

The quickest method of updating housing allowances on an ongoing basis would be to use year-on-year city rental indices. These particular indices should be available from December of each year.

Published annually, year-on-year city indices, which are expressed as an annual 'change in the cost of rented accommodation', will provide a consistent, simple, user-friendly and logical approach to the review of comparative housing standards on a yearly basis. ECA International's preferred methodology is to establish a factor, which best represents changes in the rental accommodation market in each location, and apply this factor to the previous year's monthly rental costs (budget) for all employee groups. Where appropriate, this will result in the application of one index, expressed as a factor, across all job grades. The index can be positive or negative.

## How the city-specific rental indices are calculated, validated and applied -

### Methodology

- Generally, one factor is established per location and applied across the board, unless significant differences in market movements justify the application of different factors. Where Accommodation Reports are produced by ECA International, this factor is typically the percentage trend in the cost of accommodation.

#### Example of a city-specific rental index:

*ECA International survey data show that rents have remained stable in Thailand for a number of years. EPIC International reported in 2005 and 2006 that demand was strong despite a significant number of new, high quality properties coming onto the market. Newly completed apartments demanded higher rents and occupancy remained high because of the increasing number of expatriates in the area. In 2007 the situation subsided as yet more new properties became available, causing rents to decrease to maintain occupancy rates. This continued to be the case in 2008 and 2009, where older properties reduced in price, although newer ones remained stable and grew in some cases.*

**2009**

City index (%) <sup>(1)</sup>  
3.80

<sup>(1)</sup> This refers to three bedroom apartments. Other types of accommodation have not been included to prevent a distortion of results.

- The information used to derive an index is collated from the following data sources -
  - I. Research already conducted on an annual basis by ECA International into rental trends in major cities worldwide
  - II. ECA International Accommodation Reports
  - III. ECA International Cost of Living Surveys
  - IV. Official housing inflation figures from government statistics
  - V. EPIC International Accommodation Reports
  - VI. Recommendations from letting agents/estate agents/realtors
- When accommodation analysis is undertaken year-on-year, ECA International tracks the average change in rents in each city to arrive at a city rental trend percentage. ECA International chooses the type and size of property to be tracked by looking at the prominent property type for expatriate housing in each location (typically a three-bedroom apartment, but will vary according to host country norms). This year-on-year tracking provides ECA International with a representative percentage change in rents. The percentage change in rents is represented as an index. The index shows price appreciation/depreciation of rental properties over an annual period. It allows ECA International to track overall market movement, and make an informed decision based on the index. It reflects the general sentiment of the residential rental property in the expatriate market.
- To make certain the index is representative of rental price movements within a particular city ECA International references market surveys and commentary available on the general market.
- The index is calculated to illustrate general movement in rental prices only. The index does not take into consideration the market change in mandatory or furniture costs where these are paid separately to the rent.

- The rental budget for an assignee comprises a rent allowance and where applicable a furnishing provision and payment towards additional mandatory costs where these are not included in the rental price. In many cities the additional costs are expressed as a percentage of the monthly rent and as such these costs change proportionately with rental price movements. Consequently the index should be applied to the total rental budget so that the employee receives a sufficient allowance to cover additional costs incurred over and above the basic rent.

Example: Index of 1.075 (7.5% increase)

Existing allowances:

Rank/Grade	Family size	Rent allowance (Partly furnished)	Discrete furniture rental	Mandatory charges	Total costs	
Group I (D8)	Single/married	1,411,000	88,948	80,000	1,579,948	City index
	Family	1,558,330	97,843	80,000	1,736,173	1.075

New data:

Rank/Grade	Family size	Rent allowance (Partly furnished)	Discrete furniture rental	Mandatory charges	Total costs	
Group I (D8)	Single/married	1,516,825	95,619	86,000	1,698,444	City index
	Family	1,675,205	105,181	86,000	1,866,386	1.075

- The resulting new allowances are compared against existing data sources to make certain that the revised allowances are realistic. This is an important validation process whereby ECA International will make sure the allowances provided to officers is in-keeping with rental prices in the expatriate rental market. Sometimes, further adjustments to the index may be required as a result of this validation. These adjustments will be based on ECA International's judgement and interpretation of the information extracted from all its data sources.
- If ECA International's rental index is less than + or – 5%, no change should be applied to the current rent levels. If the index is greater than + or – 5% the index is applied to existing rates to establish allowances for the following year. The trigger point of + or – 5% is based on knowledge of general company practice. Furthermore market intelligence provided to us by estate agents and relocation companies tends to imply that static rental markets are those with movements less than + or - 5%.
- The trigger point of + or – 5% has been derived from current market trends. Looking back at the changes in rental prices seen in 2010, while some of ECA International's surveyed locations posted significant changes in rents, most markets have remained static with average rents shifting by less than 5%. Strong economic recovery across a number of regions contributed towards rental stability and even growth. Some HKSAR Government cities of posting have witnessed a growth in rental prices in 2010, but the majority of rental markets were fairly static in 2010 with rents stabilising and prices fluctuating less than 5%. Given this level of market stability ECA International has recommended a trigger point to reflect current market activity. The 5% trigger is also in keeping with industry practice.
- As instructed above, where the index movement is greater than + or – 5% the allowances should be reviewed and adjusted accordingly. However, if the index is greater than + or – 10%, the Client should make a note of this location and closely monitor the changes over the next year. If the index movement the following year is also greater than + or – 10% then a fresh review of allowances from first principles will be warranted rather than adjusting the allowances by the rental index. The Client should bear in mind that although the index is a suitable method of updating the rent allowances on an annual basis when market is relatively stable, it is however, not sufficiently sensitive to the fact that

there may be local fluctuations between different property types, and different standards of property within the expatriate market when price fluctuations are significant (over 10%).

- The trigger point of 10% is based on advice from market experts such as relocation companies and EPIC International which advise companies to regularly review allowances where price fluctuations are over or above 10%. The economic recovery in many of the major global markets looks set to continue through 2011, and ECA International expects many locations to show steady increases in rents. What clearly cannot be budgeted for are natural disasters, such as that witnessed in Japan in 2011. In addition, political upheaval in various Middle East locations is likely to cause significant disruption to their rental markets. Political upheaval or natural disasters are likely to cause rental volatility and possibly rental movements over and above 10%.
- On an annual basis, ECA International can provide the Client with one rental index per location, which should be uniformly applied across all job grades as illustrated above. There will be an annual time-related fee charged for this service.
- **Fee:** The fee to produce one index per city is GBP 360. Fee is valid until 1<sup>st</sup> June 2012.
- ECA International recommends that a full review of the allowances be carried out every 3-5 years, to ensure that the rent allowances are re-aligned to actual market values, remain sensitive to seniority, different family sizes and continue to be area specific.

#### If the HKSAR Government requires more than one factor for each location

As standard, ECA International publishes one index per location for all cities/towns covered by ECA International's accommodation reports. However, if the HKSAR Government requires customisation of year-on-year indices to meet specific requirements it would be prudent to examine the annual price changes for both apartments and houses as set out in the assumptions in the Consultancy Study.

**Fee:** The fee per additional index per city is GBP 270. Fee is valid until 1<sup>st</sup> June 2012.

#### Advantages and disadvantages

In summary, this methodology has the advantage of providing an appropriate means of revising rent allowances and uses an approach that is transparent, user-friendly, cost-effective, simple and consistent across all groups of the HKSAR Government employees. It is also in line with the methodology employed by several ECA clients.

This approach has an obvious advantage over option 1 in that it is more sensitive to modest fluctuations in rental movements. Given its fixed-term methodology, option 1 is likely to lead to high levels of employee dissatisfaction and scepticism that rental budgets do not accurately reflect the rental market. Conversely, the current approach (option 2 – approach 1) provides an annual assessment of the market and takes into consideration inflationary pressures on rental costs and landlord's asking prices.

This option uses city indices specific to expatriate rental market to update rental costs whereas option 2 – approach 2 uses overall inflation statistics, which incorporates not only property inflation, but also consumer prices for commodity items and wage inflation. Hence option 2 – approach 2 may provide a distorted picture of the expatriate rental market, whereas the current approach provides a unique and more representative picture of expatriate rental trends.

Another advantage of this option over option 2 – approach 2 is that a city specific rental index is available for all the HKSAR Government cities of posting whereas option 2 – approach 2 housing inflation indices are only available for a handful of locations and tend to be country-wide figures rather than city-specific.

This option is relatively easy to administer compared to option 3. Whereas option 3 is reliant on ECA International undertaking a time consuming fresh review and overhaul of all allowances and mandatory costs, the city-specific rental indices are relatively quicker for ECA International to calculate and their application to update and revise existing rent allowances is more straightforward.

Please note that the rental index is intended to illustrate general movement in prices only. Results are based on movements in prices across all suitable expatriate neighbourhoods of a city. The index is based on the average movements in the price of a typical property in the city, and cannot take into account of differences in quality of fittings, decoration, etc. from one property to the next, and because it is an average any extreme movements in rents which may occur in some neighbourhoods are flattened out by more modest movements in other parts of the city. The disadvantage of this approach is that the year-on-year city-specific rental index is based on one type of accommodation only (typically a three-bedroom apartment, but will vary according to host country norms) and therefore, it could be argued that the index is not truly representative for all types and sizes of accommodation (in the host country) in the particular areas where the HKSAR Government employees live.

There can be issues with introducing simple mathematical factors to the review of rent allowances, as the market is not straightforward. Housing rents evolve and respond to changing market pressures such as economic climate, tax changes, government finance arrangements, industry growth. Certain types and sizes of accommodation are more in demand than others, as are different neighbourhoods, all of which can affect the demand of properties unevenly across the property spectrum in one location.

To complement the application of the city-specific rental indices, it is ECA International's opinion a thorough review of the allowances on a regular basis, (e.g. 3 to 5 years – medium term) is also advisable to ensure ongoing precision and credibility. The short-term review process is suitable where market conditions are relatively stable (less than 10% fluctuations). Locations where price movements are over 10% may warrant an immediate full review to make sure assignees are not disadvantaged in any way. However, rather than reacting immediately to price movements over 10%, the Client can apply the appropriate rental index in the first year and if the price fluctuation is sustained in the second year then the Client could request ECA International to undertake a full review.

- Approach 2 - Updating rent allowance rates using non-specific housing inflation indices in host locations

How the non-specific housing inflation indices are calculated and applied -

#### Methodology

This approach applies the official housing inflation index to current allowances on an annual basis to establish revised allowances. ECA International collates official housing inflation figures annually, although some governments do not publish separate housing indices. The data tends to be published by the Central Bureau of Statistics (housing) in each of the countries. Housing inflation statistics tend to be country-wide averages, although in a limited number of locations it may be possible to source city statistics. The following countries all publish housing inflation figures -

Thailand	France	Singapore
Germany	Philippines	Australia
UK	Canada	
Belgium	USA	

Most governments tend to publish inflation statistics and housing is one of the key components in the basket of items used to estimate the overall inflation figure. Many governments publish housing inflation data

separately. However, for the majority of locations, the housing inflation figures tend to include the increase in rental as well as purchase costs. Furthermore some inflationary measures also include the increase in the cost of furniture as well as utilities. Overall, housing inflation statistics do not tend to be uniform or consistent in what is included in the basket of items.

The application of the non-specific housing inflation indices follows the same principles of the city-specific rental indices under option 2 – approach 1. Consequently the index should be applied to the total rental budget so that the employee receives a sufficient allowance to cover additional costs incurred over and above the basic rent. As with option 2 – approach 1 trigger points are established. The trigger point of + or – 5% is applicable and any rental movements beyond these parameters is subject to review using the same methodology applied under option 2 – approach 1.

Example of an index used to update rent allowance rates using non-specific official housing inflation indices:

<b>Country Name:</b>	THAILAND
<b>Location Name:</b>	OVERALL SAMPLE
<b>Index Name:</b>	HOUSING
<b>Generic Source:</b>	Central (or National) Statistical Office
<b>Specific Source:</b>	Bureau of Trade and Economic indices - HOUSING AND FURNISHING
<b>Interval:</b>	Monthly
<b>Base Year:</b>	2007

Year	Average Annual Inflation	Average Interval Inflation
2009	-1.49	0.30
2008	-3.19	-0.78

Advantages and disadvantages

While this index provides a non-specific indicator of economic trends and is not linked to expatriate rental costs in a city, it nevertheless provides a simple and reasonably accurate measure of year-on-year changes in prices. It is our view that this is a rather satisfactory data source with which to revise additional rental costs. As the index is derived from official government sources, assignees are more likely to accept changes in housing allowances.

The disadvantage of this approach is that the housing inflation index does not exclusively represent expatriate accommodation costs, but also depicts changes in costs for local national housing. In addition, the housing inflation index may also represent the cost of utilities and housing repair. The housing inflation index, in some countries, may represent a countrywide average rather than being city, size, type and area specific. The housing inflation figure may not be available for every country.

The simplicity of this method of review may not complement the current rent allowance system, nor accurately reflect the HKSAR Government's philosophy, which is sensitive to employee grade, size, type and location.

A thorough review of the allowances on a regular basis, (e.g. 3 to 5 years) is advisable, to ensure ongoing precision and credibility.

**Fee:** The fee per index per country is GBP 180. Fee is valid until 1<sup>st</sup> June 2012.

- Option 3 – Updating rent allowance rates by conducting an annual review and applying freshly researched market data to the rent allowance system

One of ECA International's aims during the Consultancy Study has been to develop rent allowances that accurately reflect current residential market prices. In order to maintain this position, our recommendation is that rent allowances are reviewed on an annual basis by conducting a fresh, detailed review of rental costs for expatriate accommodation in each HKSAR Government assignment location.

### Methodology

This approach conducts fresh research into the values being applied to the accommodation standards for each rank and family size for every location. The aim is to build on the research already conducted by ECA International into the rental trends for all HKSAR Government locations. The latest market data is collated taking into account the following data sources -

- EPIC International Reports
- Recommendations from letting agents/estate agents/realtors
- Research conducted through an annual expatriate Cost of Living Survey
- Furniture rental vendor

Once the information has been collated by location, the range of data is divided into quartiles and it is correlated against each of the designated job grades for the HKSAR Government officers.

### Advantages and disadvantages

An annual review will ensure that significant, sustained market movements are adequately catered for, particularly in locations where significant movement can occur over a 12 month period. An annual review will also cater for any changes in legislation, practice or economic conditions with implications for specific residential markets.

This approach accurately tracks the housing market in each location. It is specific to particular areas identified by the HKSAR Government and delivers a consistent and logical approach to maintaining rent allowances in each of the HKSAR Government city of posting. This system is therefore easily defensible and reliable when communicating changes with employees.

The main drawback of this approach is that it is time consuming in terms of resources and the resulting cost. Expatriate housing data from ECA International and EPIC International is readily available. However, extracting data from estate agents and relocation companies can be a protracted process.

**Fee:** The fee for this service will be supplied upon request. The fee will be representative of the cost to ECA International in terms of man hours and data to undertake the new study.

### **Timing**

ECA International recommends that an annual review of rent allowances takes February/March each year to coincide with ECA International's latest price collection from September through to November.

## Long-term review of rent allowance system

ECA International recommends that the general standards of accommodation and the location specific rent allowance system and accommodation standards proposed in the Consultancy Study are reviewed on a medium to long-term basis, for example every five years.

### Methodology

The review will require the following steps to be undertaken -

- Review each country to identify appropriate/preferred neighbourhoods for each city. Over a period of time, the HKSAR Government offices may relocate or new neighbourhoods may spring up, hence a review of the preferred neighbourhoods is advisable.
- Review the HKSAR Government's preferred market position, which is to provide allowances towards the median of the market.
- For each type of accommodation and in each neighbourhood divide the range of data into quartiles.
- Review the HKSAR Government's grade bands to ensure they are still applicable.
- Correlate this analysis to each of the designated grades of assignee according to the preferred market position.
- Confirm that the rent allowances are sufficient to meet the HKSAR Government's host country housing policy objectives.
- Set appropriate furniture rental allowances according to family size and seniority.
- Calculate the cost of utilities by the level of seniority.
- Review the representational adjustment factor.

### Advantages and disadvantages

A medium to long-term policy and practice review would ensure that the system of setting rent allowances adopted by the HKSAR Government continues to meet the accommodation needs of assignees posted outside the home country, continues to be aligned with the HKSAR Government's general pay and benefits philosophy, and continues to make appropriate reference to the standards of accommodation against which the HKSAR Government wishes to benchmark themselves.

ECA International anticipates that such a review would involve the same substantial commitment of time and resources that have been dedicated to this Consultancy Study and does not feel that a more regular review of policy and practice is warranted.

**Fees:** Review of rent allowances - A detailed fee quote can be provided once the HKSAR Government have decided on their preferred approach for the regular review of housing allowances.

## Special uplift factors for representational role of senior directorate officers

Heads of ETOs have a representational role and are required to host functions at home from time to time. As set out in the Consultancy Brief, ECA International has developed a consistent and logical approach to determine suitable standards of accommodation for officers with a need for hosting hospitality at home.

1. ECA International assumed that the standard of accommodation should be set at a four bedroom properties for both single/married and family categories with reference to the norms of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities.
2. Suitable areas within a city were restricted to the more exclusive districts and these areas were also situated within close proximity to the ETO/city centre.
3. ECA recommends that a graduated approach should be adopted by selecting market positions for four bedroom properties within the upper quartile of rental properties.

ECA International has calculated the special uplift factor based on the above standards as a percentage value which can be used to enhance the recommended rate for a particular Head of ETO should there be sufficient justifications as determined by the Commerce and Economic Development Bureau. The percentage uplift is a uniform value that should be applied across all cities of posting.

### Hosting hospitality at home allowance

Location	Uplift factor
All locations	1.15

Typically an employee receives a housing allowance appropriate to their job level and family size. The uplift factor represents the combined adjustment needed to bring all allowances up to a level whereby these allowances would enable individuals to rent larger and better quality accommodation suitable for representation. The factor of 1.15 is a statistical average taken across all the HKSAR Government cities of posting. For each city the cost of properties suitable for representation was assessed and the relative difference in cost between the representation properties and the standard rent allowances was determined. The adjustment factor of 1.15 is in keeping with similar adjustment factors used by other governments.

### Application of the special uplift factors for representational role of senior directorate officers

The representation allowance can basically be considered in two parts -

1. Part 1 - size of property: The allowances should reflect property of large size suitable for hosting hospitality at home.
2. Part 2 - quality/standard: The property should be suitable for representation purposes i.e. those required to entertain at home. The quality (fixtures and fittings) and standard (decoration and furnishings) of the property should be of an appropriate level.

In addition the employee would also receive, where applicable, reimbursement of furniture and mandatory expenses up to the appropriate level.

There are three options for applying the uplift factor to reflect the representational role of the Head of ETOs with the need for hosting hospitality at home which are, as follows -

1. Option 1 - applying the uplift factor to the representational adjustment. The accommodation should be based on 4 bedroom properties rather than 3 to 4 bedrooms as used in Options 2 and 3;
2. Option 2 - applying the uplift factor to the rent allowance. The accommodation is based on the current provision to the assignee; and
3. Option 3 - applying the uplift factor to the total rent allowance (inclusive of additional allowance for furnishings and mandatory charges).

An illustration of the three different options of calculating the representational uplift using the host city of Tokyo is tabulated on the following pages for ease of reference/comparison.

## Tokyo, Japan rent allowances

Rank/Grade	Family size	Rent allowance (partly furnished)	Discrete furniture rental	Mandatory charges	Total costs
Group I (D8)	Single/married	1,411,000	88,948	80,000	1,579,948
	Family	1,558,330	97,843	80,000	1,736,173
Group I (D6)	Single/married	1,153,450	84,938	80,000	1,318,388
	Family	1,383,330	88,948	80,000	1,552,278
Group II (D4 & D5)	Single/married	748,330	89,020	50,000	887,350
	Family	1,130,830	84,938	50,000	1,265,768
Group III (D1 - D3)	Single/married	654,910	80,928	50,000	785,838
	Family	717,500	89,020	50,000	856,520
Group IV (MPS 45 - 49; PPS 49 - 54a GDS(O) 33 - 39)	Single/married	611,490	76,917	50,000	738,407
	Family	642,060	80,928	50,000	772,988
Group V (MPS 44 & below PPS 48 & below GDS(O) 32 & below)	Single/married	536,750	76,917	45,000	658,667
	Family	599,500	80,928	45,000	725,428

- Rent allowances are monthly costs in Japanese Yen

## Option 1 - Applying the uplift factor to the representational adjustment

### Assumptions:

- Accommodation: Accommodation size should be that of a large 4 bedroom property with reference to the norms of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities.
- Market position: Suitable properties should be selected from the upper-end of the rental market.
- Additional furniture rental allowance: Based on a budget for a 4 bedroom property. The furniture allowance is typically a percentage of the monthly rent.
- Mandatory costs: These are compulsory charges paid in addition to the monthly rent. Mandatory costs can either be a fixed flat rate or a percentage of the monthly rent according to host country norms. In the illustration for Tokyo, shown below, the mandatory costs are a fixed rate based on the property size.

	Rent allowance	Accommodation type*	Market position
<b>Group I (D8) officer (family)</b>	Yen 1,558,330	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation	Yen 1,725,000	Average 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,725,000*15%)	Yen 1,983,750	Average 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D8)	Yen 425,420	Average 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 425,420	Average 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for 4 bedroom properties	Yen 107,627	Average 4 bedroom apartment & houses	Upper-end of market
Mandatory costs based on size and type of property	Yen 80,000	Average 4 bedroom apartment & houses	Upper-end of market

	Rent allowance	Accommodation type*	Market position
<b>Group II (D4 &amp; D5) officer (family)</b>	Yen 1,130,830	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation	Yen 1,725,000	Average 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,725,000*15%)	Yen 1,983,750	Average 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D8)	Yen 425,420	Average 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 425,420	Average 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for 4 bedroom properties	Yen 107,627	Average 4 bedroom apartment & houses	Upper-end of market
Mandatory costs based on size and type of property	Yen 80,000	Average 4 bedroom apartment & houses	Upper-end of market

\* The accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

### How the representational allowance has been calculated

By default, assignees that are required to host hospitality at home will be entitled to a representational allowance of 15%. However, using this methodology the minimum housing standards for any officer with representational duties is that of a 4 bedroom property at the upper-end of the market.

Taking the above into consideration the representational allowance is the sum total needed to bring the officer's allowance up to the standard for representation.

E.g. Group I (D8) officer (family): Yen 1,558,330

Part 1 (size of property) - Yen 166,670 (Yen 1,725,000 - Yen 1,558,330)

Part 2 (quality/standard) - Yen 258,750 (Yen 1,983,750 - Yen 1,725,000)

Representational allowance: Total Yen 425,420

E.g. Group II (D4 & D5) officer (family)

The representational allowance for all officers below Group I (D8) officer (family) will be calculated slightly differently to that above. All officers will receive a representational allowance of Yen 425,000 in recognition of their need to host hospitality at home. However the size of property suitable for hosting hospitality has to be the same for every officer. Consequently all officers should be brought up to the same standard of housing as a Group I (D8) officer (family).

Group II (D4 & D5) officer (family): Yen 1,130,830

Group I (D8) officer (family): Yen 1,558,330

Rent allowance adjustment up to a Group I (D8) officer (family): Yen 427,500 (Yen 1,558,330 - Yen 1,130,830)

Part 1 (size of property) - Yen 166, 670 (Yen 1,725,000 -Yen 1,558,330)

Part 2 (quality/standard) - Yen 258, 750 (Yen 1,983,750 - Yen 1,725,000)

Representational allowance: Total Yen 425,420

### Advantages and disadvantages

Of the 3 options it is ECA International's opinion that option 1 would be the best approach in the sense that it makes sure all officers with representational duties will receive the same total rent allowance. The standard of accommodation is guaranteed to be suitable for representation as all assignees are elevated to a 4 bedroom accommodation towards the 70<sup>th</sup> percentile of rental properties before the special uplift factor is applied to adjust the rents upwards to upper quartile 4 bedroom properties. This approach provides consistency across all job levels with emphasis on the importance of keeping those who have to host hospitality at home on a level footing.

However, of the three options for applying the uplift factor to arrive at the representational allowances, Option 1 is the most generous. All officers irrespective of their rank will receive the same representational allowance which makes this approach the most costly from an employer perspective. Furthermore, the Client will need to request ECA International to provide the representational role figure for individual host cities under this option making it slightly more difficult to administer compared to the other options. The fee to produce one representational allowance rate per city is HKD 1,350. Fee is valid until 1<sup>st</sup> June 2012.

### **Option 2 - The uplift factor can be applied to the D8 rent allowance**

	<b>Rent allowance</b>	<b>Accommodation type*</b>	<b>Market position</b>
<b>Group I (D8) officer (family)</b>	Yen 1,558,330	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,558,330*15%)	Yen 1,792,080	Average 3 to 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D8)	Yen 233,750	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 233,750	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for D8 based on 3&4 bedroom properties	Yen 97,843	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Mandatory costs for D8	Yen 80,000	Average 3 to 4 bedroom apartment & houses	Upper-end of market

	<b>Rent allowance</b>	<b>Accommodation type*</b>	<b>Market position</b>
<b>Group II (D4 &amp; D5) officer (family)</b>	Yen 1,130,830	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,130,830*15%)	Yen 1,300,455	Average 3 to 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D4)	Yen 169,625	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 169,625	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for D4 based on 3&4 bedroom properties	Yen 84,938	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Mandatory costs for D4	Yen 50,000	Average 3 to 4 bedroom apartment & houses	Upper-end of market

\* The accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

### How the representational allowance has been calculated

The representational allowance is calculated by applying the uplift factor of 15% to the rent allowance only. The officer will continue to receive a furniture allowance and mandatory costs in accordance with their rank and family size. The uplift factor is not applied to the furniture allowance or mandatory costs.

E.g. Group I (D8) officer (family)

Rent allowance Group I (D8) officer (family): Yen 1,558,330\*15%

Representational allowance: Yen 233,750

E.g. Group II (D4 & D5) officer (family)

Rent allowance Group II (D4) officer (family): Yen 1,130,830\*15%

Representational allowance: Yen 169,625

### Advantages and disadvantages

The main advantage of this approach is that it is much simpler and also easier to administer by the Management than option 1 as the representational allowance is derived by applying the uplift factor to the rent allowance.

The main disadvantage of this approach is that while the rent allowances are uplifted the mandatory costs and furniture allowances remain unchanged and it could be argued that the employee will not have sufficient funds to meet these costs for upper-end properties. By adjusting the rent allowance only the Group I officer in the Tokyo example is only receiving a 13.46% increase in their total rent allowance rather than 15%.

	Normal	Representation	Increase
<b>Rent</b>	1,558,330	1,792,080	15%
<b>Furniture rental</b>	97,843	97,843	0
<b>Mandatory costs</b>	80,000	80,000	0
<b>Total budget</b>	<b>1,736,173</b>	<b>1,969,923</b>	<b>13.46%</b>

An additional consideration is that while the Group II officer has received 15% uplift in their rental budget, it is worth bearing in mind that this may not be a sufficient uplift so as to provide officers with ample funds to rent properties suitable for hosting hospitality. Group I officers will receive allowances suitable for finding 4 bedroom quality properties whereas Group II officers will only be able to afford 3-4 bedroom upper-end properties.

### Option 3 - The uplift factor can be applied to the total D8 allowance

	Rent allowance	Accommodation type*	Market position
<b>Group I (D8) officer (family)</b>	Yen 1,558,330	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,558,330*15%)	Yen 1,792,080	Average 3 to 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D8)	Yen 233,750	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 233,750	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for D8 based on 3&4 bedroom properties uplifted by 15%	Yen 112,520	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Mandatory costs for D8 uplifted by 15%	Yen 92,000	Average 3 to 4 bedroom apartment & houses	Upper-end of market

	Rent allowance	Accommodation type*	Market position
<b>Group II (D4 &amp; D5) officer (family)</b>	Yen 1,130,830	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representation uplifted (Yen 1,130,830*15%)	Yen 1,300,455	Average 3 to 4 bedroom apartment & houses	Upper-end of market Uplifted by 15%
Differential (Representation uplifted minus D4)	Yen 169,625	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Representational role	Yen 169,625	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Furniture allowance for D4 based on 3&4 bedroom properties uplifted by 15%	Yen 97,679	Average 3 to 4 bedroom apartment & houses	Upper-end of market
Mandatory costs for D4 uplifted by 15%	Yen 57,500	Average 3 to 4 bedroom apartment & houses	Upper-end of market

\* The accommodation type is set with reference to the policies and broad standards of accommodation provided by major multinational corporations to their expatriate executive/managerial personnel of comparable level in the host cities, with the standard and quality of accommodation aligned with the prevailing characteristic expatriate housing practices in the host city.

### How the representational allowance has been calculated

The representational allowance is calculated by applying the uplift factor of 15% to the rent, furniture rental and mandatory costs in accordance with the rank and family size of the officer.

E.g. Group I (D8) officer (family)

Rent allowance Group I (D8) officer (family): Yen 1,558,330\*15%

Representational allowance: Yen 233,750

Furniture uplift: Yen 112,520 (97,843\*15%)

Mandatory costs uplift: Yen 92,000 (80,000\*15%)

E.g. Group II (D4 & D5) officer (family)

Rent allowance Group II (D4 & D5) officer (family): Yen 1,130,830\*15%

Representational allowance: Yen 169,625

Furniture uplift: Yen 97,679 (84,938\*15%)

Mandatory costs uplift: Yen 57,500 (50,000\*15%)

### Advantages and disadvantages

The main advantage of this approach is that it is the simplest of all options to administer by the Management and the most transparent. This option is more generous than option 2 as the furniture rental and mandatory costs have also been uplifted as well as the rent. Whilst option 1 is too generous whereby all officers irrespective of their rank will receive the same representational allowance which makes it costly if implemented, the representational allowance under option 2 may not be sufficient to meet the costs for upper-end property, given the furniture rental and/or mandatory charges would need to be adjusted accordingly to reflect the typical costs commensurate with a larger property size and more decent quality to reflect the representational role. On balance, option 3 is preferable for its simplicity, ease of administering by the Management and flexibility in implementation.

The main disadvantage is that Group I officers will receive allowances suitable for finding 4 bedroom upper quality properties whereas Group II officers will only be able to afford 3-4 bedroom upper-end properties.

**Criteria for setting standards of accommodation for officers  
of different levels and family status posted outside Hong Kong**

Rank/Grade		Single/Married	Family
Group I	D8	3 bedroom 7 to 10 km from ETO/ organisation Upper-end of market	3 to 4 bedroom 7 to 10 km from ETO/ organisation Upper-end of market
	D6	3 bedroom 7 to 10 km from ETO/ organisation Upper-end of market	3 to 4 bedroom 7 to 10 km from ETO/ organisation Upper-end of market
Group II (D4/D5)		2 to 3 bedroom 7 to 10 km from ETO/ organisation Upper to Medium-end of market	3 to 4 bedroom 7 to 10 km from ETO/ organisation Upper to Medium-end of market
Group III (D1-D3)		2 to 3 bedroom 7 to 10 km from ETO/ organisation Medium-end of market	3 to 4 bedroom 7 to 10 km from ETO/ organisation Medium-end of market
Group IV (MPS 45-49; PPS 49-54a; GDS(O) 33-39)		2 bedroom Up to 75 minutes commuting time from ETO/organisation Medium to Low-end of market	2 to 3 bedroom Up to 75 minutes commuting time from ETO/organisation Medium to Low-end of market
Group V (MPS 44 & below; PPS 48 & below; GDS(O) 32 & below)		2 bedroom Up to 75 minutes commuting time from ETO/organisation Low-end of market	2 to 3 bedroom Up to 75 minutes commuting time from ETO/organisation Low-end of market

The above agreed general standards of accommodation notwithstanding, the consultants may take into account some special local circumstances of individual host cities to address local needs. For example, instead of keeping to the standard of up to 75 minutes' commuting time for Groups IV and V officers, residential areas which require less travelling time in some places may be considered having regard to the operational needs of the officers and the traffic condition of specific cities. Other factors such as safety, availability of reasonable infrastructure and accommodation of suitable quality may also be considered.



**Rent Allowance for Officers Posted Outside Hong Kong  
Comparison of Existing and Proposed Rates in Local Currency / Hong Kong Dollar**

Group	Rank	No. of officer	Existing rates in Local Currency			Proposed new rates in Local Currency						Existing rates in HK Dollar			Proposed new rates in Hong Kong Dollar					
			F	M	S	F		M		S		F	M	S	F		M		S	
						Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift				Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift
<b>Part A - ETOs in Europe</b>																				
<b>Berlin (EUR)</b>																				
Group I	AOSGA1(D8)	-	-	-	3,846	4,423	3,483	4,005	3,483	4,005	-	-	-	43,153	49,626	39,080	44,942	39,080	44,942	
	AOSGA(D6)	-	-	-	3,423	3,936	2,774	3,190	2,774	3,190	-	-	-	38,407	44,168	31,125	35,794	31,125	35,794	
Group II	AOSGB1(D4)	-	-	-	2,754	3,167	1,996	2,295	1,996	2,295	-	-	-	30,901	35,536	22,396	25,755	22,396	25,755	
	AOSGB(D3)	-	-	-	1,876	2,157	1,645	1,892	1,645	1,892	-	-	-	21,049	24,206	18,457	21,226	18,457	21,226	
Group III	AOSGC(D2)	1	2,900	2,700	2,700	1,876	2,157	1,645	1,892	1,645	1,892	32,539	30,295	30,295	21,049	24,206	18,457	21,226	18,457	21,226
Group IV	SAO/PTO/CIO/IPPO/PlmO	1	2,100	1,900	1,900	1,625	-	1,526	-	1,526	23,563	21,318	21,318	18,233	-	17,122	-	17,122	-	
Group V	PIO/TO/SEO/CImO/AO	1	1,700	1,500	1,500	1,505	-	1,316	-	1,316	19,074	16,830	16,830	16,886	-	14,766	-	14,766	-	
	IO/EOI/ImO	1	1,700	1,500	1,500	1,505	-	1,316	-	1,316	19,074	16,830	16,830	16,886	-	14,766	-	14,766	-	
<b>Brussels (EUR)</b>																				
Group I	AOSGA1(D8)	-	-	-	3,840	4,416	3,600	4,140	3,600	4,140	-	-	-	43,086	49,549	40,393	46,452	40,393	46,452	
	AOSGA(D6)	-	-	-	3,470	3,991	3,110	3,577	3,110	3,577	-	-	-	38,934	44,774	34,895	40,129	34,895	40,129	
Group II	AOSGB1(D4)	1	Official Residence			2,980	3,427	2,140	2,461	2,140	2,461	Official Residence			33,436	38,451	24,011	27,613	24,011	27,613
	AOSGB(D3)		2,975	2,975	2,975	2,030	-	1,760	-	1,760	33,380	33,380	33,380	22,777	-	19,748	-	19,748	-	
Group III																				
	AOSGC(D2)	2	2,975	2,975	2,975	2,030	-	1,760	-	1,760	33,380	33,380	33,380	22,777	-	19,748	-	19,748	-	
Group IV	SAO/PTO/CIO/IPPO/PlmO	2	2,081	2,081	1,810	1,730	-	1,680	-	1,680	23,349	23,349	20,309	19,411	-	18,850	-	18,850	-	
Group V	PIO/TO/SEO/CImO/AO	-	-	-	1,650	-	1,440	-	1,440	-	-	-	-	18,513	-	16,157	-	16,157	-	
	IO/EOI/ImO	-	-	-	1,650	-	1,440	-	1,440	-	-	-	-	18,513	-	16,157	-	16,157	-	
<b>London (GBP)</b>																				
Group I	AOSGA1(D8)	-	-	-	8,730	10,040	7,010	8,062	7,010	8,062	-	-	-	111,831	128,606	89,798	103,268	89,798	103,268	
	AOSGA(D6)	-	-	-	6,690	7,694	5,430	6,245	5,430	6,245	-	-	-	85,699	98,554	69,558	79,992	69,558	79,992	
Group II	AOSGB1(D4)	-	-	-	4,520	5,198	3,280	3,772	3,280	3,772	-	-	-	57,901	66,586	42,017	48,320	42,017	48,320	
	AOSGB(D3)	1	Official Residence			3,030	3,485	2,600	2,990	2,600	2,990	Official Residence			38,814	44,636	33,306	38,302	33,306	38,302
Group III	AOSGC(D2) / AD of Marine	1	2,000	1,790	1,790	2,540	-	2,230	-	2,230	25,620	22,930	22,930	38,814	-	33,306	-	33,306	-	
Group IV	SAO/PTO/CIO/IPPO/PlmO (MPS 45-49)	2	2,000	1,790	1,790	2,540	-	2,230	-	2,230	25,620	22,930	22,930	32,537	-	28,566	-	28,566	-	
Group V	PIO/TO/SEO/CImO/AO (MPS 41-44)	1	2,000	1,790	1,790	2,180	-	1,740	-	1,740	25,620	22,930	22,930	27,926	-	22,289	-	22,289	-	
	PIO/TO/SEO/CImO/AO (MPS 34-40)	1	1,730	1,570	1,570	2,180	-	1,740	-	1,740	22,161	20,112	20,112	27,926	-	22,289	-	22,289	-	
Group V	AO/EOI/ImO (MPS 25-33)	1	1,520	1,390	1,390	2,180	-	1,740	-	1,740	19,471	17,806	17,806	27,926	-	22,289	-	22,289	-	
<b>Geneva (CHF)</b>																				
Group I	AOSGA1(D8)	-	-	-	12,120	13,938	10,840	12,466	10,840	12,466	-	-	-	110,677	127,279	98,988	113,836	98,988	113,836	
	AOSGA(D6)	-	-	-	10,580	12,167	9,130	10,500	9,130	10,500	-	-	-	96,614	111,106	83,373	95,879	83,373	95,879	
Group II	AOSGB1(D4)	1	Official Residence			8,950	10,293	6,880	7,912	6,880	7,912	Official Residence			81,729	93,988	62,826	72,250	62,826	72,250
	AOSGB(D3)		9,000	9,000	6,500	6,712	-	6,200	-	6,200	82,186	82,186	59,356	61,292	-	56,617	-	56,617	-	
Group III																				
	AOSGC(D2)	2	9,000	9,000	6,500	6,712	-	6,200	-	6,200	82,186	82,186	59,356	61,292	-	56,617	-	56,617	-	
Group IV	SAO/PTO/CIO/IPPO/PlmO	4	5,060	5,060	5,060	6,080	-	4,970	-	4,970	46,207	46,207	46,207	55,521	-	45,385	-	45,385	-	
Group V	PIO/TO/SEO/CImO/AO	1	4,262	4,262	4,262	4,620	-	3,340	-	3,340	38,920	38,920	38,920	42,189	-	30,500	-	30,500	-	
	IO/EOI/ImO	-	-	-	4,620	-	3,340	-	3,340	-	-	-	-	42,189	-	30,500	-	30,500	-	

Group	Rank	No. of officer	Existing rates in Local Currency			Proposed new rates in Local Currency						Existing rates in HK Dollar			Proposed new rates in Hong Kong Dollar					
			F	M	S	F		M		S		F	M	S	F		M		S	
						Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift				Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift
<b>Part B - ETOs in North America</b>																				
<b>Toronto (CAD)</b>																				
Group I	AOSGA1(D8)		-	-	-	9,350	10,753	7,310	8,407	7,310	8,407	-	-	-	75,158	86,432	58,760	67,574	58,760	67,574
	AOSGA(D6)		-	-	-	7,240	8,326	5,130	5,900	5,130	5,900	-	-	-	58,197	66,927	41,236	47,421	41,236	47,421
Group II	AOSGB1(D4)		-	-	-	5,120	5,888	3,320	3,818	3,320	3,818	-	-	-	41,156	47,329	26,687	30,690	26,687	30,690
Group III	AOSGB(D3)		4,000	4,000	4,000	3,130	3,600	2,580	2,967	2,580	2,967	32,153	32,153	32,153	25,160	28,934	20,739	23,850	20,739	23,850
	AOSGC(D2)	1	4,000	4,000	4,000	(-21.8%)	(-10.0%)	(-35.5%)	(-25.8%)	(-35.5%)	(-25.8%)	32,153	32,153	32,153	(-21.8%)	(-10.0%)	(-35.5%)	(-25.8%)	(-35.5%)	(-25.8%)
						3,130	3,600	2,580	2,967	2,580	2,967				25,160	28,934	20,739	23,850	20,739	23,850
Group IV	SAO/PTO/CIO/ IPPO/PlmO	1	2,420	2,420	2,420	(-21.8%)	(-10.0%)	(-35.5%)	(-25.8%)	(-35.5%)	(-25.8%)	19,453	19,453	19,453	(-21.8%)	(-10.0%)	(-35.5%)	(-25.8%)	(-35.5%)	(-25.8%)
						2,560	-	2,430	-	2,430	-				20,578	-	19,533	-	19,533	-
						(+5.8%)	-	(+0.4%)	-	(+0.4%)	-				(+5.8%)	-	(+0.4%)	-	(+0.4%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	2,380	-	1,990	-	1,990	-	-	-	-	19,131	-	15,996	-	15,996	-
						2,380	-	1,990	-	1,990	-				19,131	-	15,996	-	15,996	-
<b>Washington (US\$)</b>																				
Group I	AOSGA1(D8)		-	-	-	7,060	8,119	6,260	7,199	6,260	7,199	-	-	-	54,907	63,143	48,686	55,989	48,686	55,989
	AOSGA(D6)	1	Official Residence			5,880	6,762	5,040	5,796	5,040	5,796	Official Residence			45,730	52,590	39,197	45,077	39,197	45,077
Group II	AOSGB1(D4)		4,683	4,683	4,683	4,850	5,578	3,920	4,508	3,920	4,508	36,421	36,421	36,421	37,720	43,378	30,487	35,060	30,487	35,060
						(+3.6%)	(+19.1%)	(-16.3%)	(-3.7%)	(-16.3%)	(-3.7%)				(+3.6%)	(+19.1%)	(-16.3%)	(-3.7%)	(-16.3%)	(-3.7%)
Group III	AOSGB(D3)		3,829	3,829	3,829	3,570	-	3,080	-	3,080	-	29,779	29,779	29,779	27,765	-	23,954	-	23,954	-
	AOSGC(D2)	1	2,975	2,975	2,975	(-6.8%)	-	(-19.6%)	-	(-19.6%)	-	23,137	23,137	23,137	(-6.8%)	-	(-19.6%)	-	(-19.6%)	-
						3,570	-	3,080	-	3,080	-				27,765	-	23,954	-	23,954	-
						(+20.0%)	-	(+3.5%)	-	(+3.5%)	-				(+20.0%)	-	(+3.5%)	-	(+3.5%)	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO	3	2,600	2,600	2,600	2,980	-	2,890	-	2,890	-	20,221	20,221	20,221	23,176	-	22,476	-	22,476	-
						(+14.6%)	-	(+11.2%)	-	(+11.2%)	-				(+14.6%)	-	(+11.2%)	-	(+11.2%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		1,925	1,925	1,925	2,680	-	2,600	-	2,600	-	14,971	14,971	14,971	20,843	-	20,221	-	20,221	-
						(+39.2%)	-	(+35.1%)	-	(+35.1%)	-				(+39.2%)	-	(+35.1%)	-	(+35.1%)	-
						2,680	-	2,600	-	2,600	-				20,843	-	20,221	-	20,221	-
<b>New York (US\$)</b>																				
Group I	AOSGA1(D8)		-	-	-	17,260	19,849	14,780	16,997	14,780	16,997	-	-	-	134,235	154,370	114,948	132,190	114,948	132,190
	AOSGA(D6)		-	-	-	14,600	16,790	11,770	13,536	11,770	13,536	-	-	-	113,548	130,580	91,538	105,269	91,538	105,269
Group II	AOSGB1(D4)		-	-	-	9,980	11,477	7,090	8,154	7,090	8,154	-	-	-	77,617	89,260	55,141	63,412	55,141	63,412
Group III	AOSGB(D3)		5,600	5,600	5,600	6,590	7,579	6,350	7,303	6,350	7,303	43,553	43,553	43,553	51,252	58,940	49,386	56,794	49,386	56,794
	AOSGC(D2)	1	5,600	5,600	5,600	(+17.7%)	(+35.3%)	(+13.4%)	(+30.4%)	(+13.4%)	(+30.4%)	43,553	43,553	43,553	(+17.7%)	(+35.3%)	(+13.4%)	(+30.4%)	(+13.4%)	(+30.4%)
						6,590	7,579	6,350	7,303	6,350	7,303				51,252	58,940	49,386	56,794	49,386	56,794
						(+17.7%)	(+35.3%)	(+13.4%)	(+30.4%)	(+13.4%)	(+30.4%)				(+17.7%)	(+35.3%)	(+13.4%)	(+30.4%)	(+13.4%)	(+30.4%)
Group IV	SAO/PTO/ CIO/ IPPO/PlmO	1	3,900	3,900	3,900	6,230	-	5,510	-	5,510	-	30,331	30,331	30,331	48,452	-	42,853	-	42,853	-
						(+59.7%)	-	(+41.3%)	-	(+41.3%)	-				(+59.7%)	-	(+41.3%)	-	(+41.3%)	-
						6,230	-	5,510	-	5,510	-	26,443	26,443	26,443	48,452	-	42,853	-	42,853	-
						(+83.2%)	-	(+62.1%)	-	(+62.1%)	-				(+83.2%)	-	(+62.1%)	-	(+62.1%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	4,170	-	3,890	-	3,890	-	-	-	-	32,431	-	30,254	-	30,254	-
						(+43.8%)	-	(+34.1%)	-	(+34.1%)	-				(+43.8%)	-	(+34.1%)	-	(+34.1%)	-
						4,170	-	3,890	-	3,890	-	22,554	22,554	22,554	32,431	-	30,254	-	30,254	-
<b>San Francisco (US\$)</b>																				
Group I	AOSGA1(D8)		-	-	-	7,800	8,970	6,950	7,993	6,950	7,993	-	-	-	60,663	69,762	54,052	62,160	54,052	62,160
	AOSGA(D6)		-	-	-	6,820	7,843	6,348	5,520	6,348	5,520	-	-	-	53,041	60,997	42,930	49,370	42,930	49,370
Group II	AOSGB1(D4)		-	-	-	5,540	6,371	4,240	4,876	4,240	4,876	-	-	-	43,086	49,549	32,976	37,922	32,976	37,922
Group III	AOSGB(D3)		5,000	5,000	5,000	4,130	4,750	3,760	4,324	3,760	4,324	38,886	38,886	38,886	32,120	36,938	29,242	33,628	29,242	33,628
	AOSGC(D2)	1	5,000	5,000	5,000	(-17.4%)	(-5.0%)	(-24.8%)	(-13.5%)	(-24.8%)	(-13.5%)	38,886	38,886	38,886	(-17.4%)	(-5.0%)	(-24.8%)	(-13.5%)	(-24.8%)	(-13.5%)
						4,130	4,750	3,760	4,324	3,760	4,324				32,120	36,938	29,242	33,628	29,242	33,628
						(-17.4%)	(-5.0%)	(-24.8%)	(-13.5%)	(-24.8%)	(-13.5%)				(-17.4%)	(-5.0%)	(-24.8%)	(-13.5%)	(-24.8%)	(-13.5%)
Group IV	SAO/PTO/CIO/ IPPO/PlmO	2	3,500	3,500	3,500	3,680	-	3,520	-	3,520	-	27,220	27,220	27,220	28,620	-	27,376	-	27,376	-
						(+5.1%)	-	(+0.6%)	-	(+0.6%)	-				(+5.1%)	-	(+0.6%)	-	(+0.6%)	-
						3,680	-	3,520	-	3,520	-	25,665	25,665	25,665	26,365	-	24,965	-	24,965	-
						(+2.7%)	-	(-2.7%)	-	(-2.7%)	-				(+2.7%)	-	(-2.7%)	-	(-2.7%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	3,390	-	3,210	-	3,210	-	-	-	-	26,365	-	24,965	-	24,965	-
						(+2.7%)	-	(-2.7%)	-	(-2.7%)	-				(+2.7%)	-	(-2.7%)	-	(-2.7%)	-
						3,390	-	3,210	-	3,210	-				26,365	-	24,965	-	24,965	-

Group	Rank	No. of officer	Existing rates in Local Currency			Proposed new rates in Local Currency						Existing rates in HK Dollar			Proposed new rates in Hong Kong Dollar					
			F	M	S	F		M		S		F	M	S	F		M		S	
						Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift				Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift
<b>Part C - ETOs in South East Asia</b>																				
<b>Singapore (SGD) &amp; APEC</b>																				
Group I	AOSGA1(D8)		-	-	-	19,250	22,138	17,470	20,091	17,470	20,091	-	-	-	121,492	139,716	110,258	126,797	110,258	126,797
	AOSGA(D6)		-	-	-	17,180	19,757	14,380	16,537	14,380	16,537	-	-	-	108,427	124,691	90,756	104,369	90,756	104,369
Group II	AOSGB1(D4)		-	-	-	14,150	16,273	9,140	10,511	9,140	10,511	-	-	-	89,304	102,700	57,685	66,338	57,685	66,338
Group III	AOSGB(D3)		10,500	10,500	10,500	8,700	10,005	7,230	8,315	7,230	8,315	66,268	66,268	66,268	54,908	63,144	45,630	52,475	45,630	52,475
						(-17.1%)	(-4.7%)	(-31.1%)	(-20.8%)	(-31.1%)	(-20.8%)				(-17.1%)	(-4.7%)	(-31.1%)	(-20.8%)	(-31.1%)	(-20.8%)
	AOSGC(D2)	2	8,800	8,800	8,800	8,700	10,005	7,230	8,315	7,230	8,315	55,539	55,539	55,539	54,908	63,144	45,630	52,475	45,630	52,475
						(-1.1%)	(+13.7%)	(-17.8%)	(-5.5%)	(-17.8%)	(-5.5%)				(-1.1%)	(+13.7%)	(-17.8%)	(-5.5%)	(-17.8%)	(-5.5%)
Group IV	SAO/PTO/CIO/ IPPO/PlmO	1	6,500	6,500	6,500	7,120	-	6,420	-	6,420	-	41,023	41,023	41,023	44,936	-	40,518	-	40,518	-
						(+9.5%)		(-1.2%)		(-1.2%)					(+9.5%)		(-1.2%)		(-1.2%)	
Group V	PIO/TO/SEO/ CImO/AO	2	5,500	5,500	5,500	6,320	-	5,620	-	5,620	-	34,712	34,712	34,712	39,887	-	35,469	-	35,469	-
						(+14.9%)		(+2.2%)		(+2.2%)					(+14.9%)		(+2.2%)		(+2.2%)	
	IO/EOL/ImO		-	-	-	6,320	-	5,620	-	5,620	-	-	-	-	39,887	-	35,469	-	35,469	-
<b>Sydney (AUD)</b>																				
Group I	AOSGA1(D8)		-	-	-	12,020	13,823	9,990	11,489	9,990	11,489	-	-	-	99,883	114,865	83,014	95,466	83,014	95,466
	AOSGA(D6)		-	-	-	9,890	11,374	7,580	8,717	7,580	8,717	-	-	-	82,183	94,510	62,988	72,436	62,988	72,436
Group II	AOSGB1(D4)		-	-	-	7,030	8,085	5,300	6,095	5,300	6,095	-	-	-	58,418	67,181	44,042	50,648	44,042	50,648
Group III	AOSGB(D3)		7,970	7,170	7,170	4,810	5,532	4,380	5,037	4,380	5,037	66,229	59,581	59,581	39,970	45,966	36,397	41,857	36,397	41,857
						(-39.6%)	(-30.6%)	(-38.9%)	(-29.7%)	(-38.9%)	(-29.7%)				(-39.6%)	(-30.6%)	(-38.9%)	(-29.7%)	(-38.9%)	(-29.7%)
	AOSGC(D2)	1	6,930	6,230	6,230	4,810	5,532	4,380	5,037	4,380	5,037	57,587	51,770	51,770	39,970	45,966	36,397	41,857	36,397	41,857
						(-30.6%)	(-20.2%)	(-29.7%)	(-19.1%)	(-29.7%)	(-19.1%)				(-30.6%)	(-20.2%)	(-29.7%)	(-19.1%)	(-29.7%)	(-19.1%)
Group IV	SAO/PTO/CIO/ IPPO/PlmO	1	5,200	4,680	4,680	4,300	-	3,960	-	3,960	-	43,211	38,890	38,890	35,732	-	32,907	-	32,907	-
						(-17.3%)		(-15.4%)		(-15.4%)					(-17.3%)		(-15.4%)		(-15.4%)	
Group V	PIO/TO/SEO/ CImO/AO	1	4,160	3,740	3,740	3,830	-	3,580	-	3,580	-	34,569	31,078	31,078	31,826	-	29,749	-	29,749	-
						(-7.9%)		(-4.3%)		(-4.3%)					(-7.9%)		(-4.3%)		(-4.3%)	
	IO/EOL/ImO		-	-	-	3,830	-	3,580	-	3,580	-	-	-	-	31,826	-	29,749	-	29,749	-
<b>Tokyo (JPY)</b>																				
Group I	AOSGA1(D8)		-	-	-	1,736,173	1,996,599	1,579,948	1,816,940	1,579,948	1,816,940	-	-	-	165,965	190,860	151,031	173,686	151,031	173,686
	AOSGA(D6)	1	2,300,000	2,300,000	2,300,000	1,552,278	1,785,120	1,318,388	1,516,146	1,318,388	1,516,146	219,863	219,863	219,863	148,386	170,644	126,028	144,932	126,028	144,932
						(-32.5%)	(-22.4%)	(-42.7%)	(-34.1%)	(-42.7%)	(-34.1%)				(-32.5%)	(-22.4%)	(-42.7%)	(-34.1%)	(-42.7%)	(-34.1%)
Group II	AOSGB1(D4)		1,775,000	1,775,000	1,775,000	1,265,768	1,455,633	887,350	1,020,453	887,350	1,020,453	169,677	169,677	169,677	120,998	139,148	84,824	97,548	84,824	97,548
						(-28.7%)	(-18.0%)	(-50.0%)	(-42.5%)	(-50.0%)	(-42.5%)				(-28.7%)	(-18.0%)	(-50.0%)	(-42.5%)	(-50.0%)	(-42.5%)
Group III	AOSGB(D3)		-	-	-	856,520	-	785,838	-	785,838	-	-	-	-	81,877	-	75,120	-	75,120	-
	AOSGC(D2)	1	1,250,000	1,250,000	1,250,000	856,520	-	785,838	-	785,838	-	119,491	119,491	119,491	81,877	-	75,120	-	75,120	-
						(-31.5%)		(-37.1%)		(-37.1%)					(-31.5%)		(-37.1%)		(-37.1%)	
Group IV	SAO/PTO/CIO/ IPPO/PlmO	1	1,000,000	1,000,000	1,000,000	772,988	-	738,407	-	738,407	-	95,593	95,593	95,593	73,892	-	70,586	-	70,586	-
						(-22.7%)		(-26.2%)		(-26.2%)					(-22.7%)		(-26.2%)		(-26.2%)	
Group V	PIO/TO/SEO/ CImO/AO	1	770,833	770,833	770,833	725,428	-	658,667	-	658,667	-	73,686	73,686	73,686	69,345	-	62,964	-	62,964	-
						(-5.9%)		(-14.6%)		(-14.6%)					(-5.9%)		(-14.6%)		(-14.6%)	
	IO/EOL/ImO		-	-	-	725,428	-	658,667	-	658,667	-	-	-	-	69,345	-	62,964	-	62,964	-

Group	Rank	No. of officer	Existing rates in Local Currency			Proposed new rates in Local Currency						Existing rates in HK Dollar			Proposed new rates in Hong Kong Dollar					
			F	M	S	F		M		S		F	M	S	F		M		S	
						Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift				Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift	Without representational uplift	With 15% representational uplift
<b>Part D - Overseas Secondment</b>																				
<b>Bangkok (THB)</b>																				
Group I	AOSGA1(D8)		-	-	-	205,703	-	198,020	-	198,020	-	-	-	-	52,043	-	50,099	-	50,099	-
	AOSGA(D6)		-	-	-	190,400	-	161,000	-	161,000	-	-	-	-	48,171	-	40,733	-	40,733	-
Group II	AOSGB1(D4)		-	-	-	153,330	-	103,330	-	103,330	-	-	-	-	38,792	-	26,142	-	26,142	-
Group III	AOSGB(D3)		-	-	-	99,380	-	79,900	-	79,900	-	-	-	-	25,143	-	20,215	-	20,215	-
	AOSGC(D2)		-	-	-	99,380	-	79,900	-	79,900	-	-	-	-	25,143	-	20,215	-	20,215	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO		-	-	-	78,330	-	76,930	-	76,930	-	-	-	-	19,817	-	19,463	-	19,463	-
Group V	PIO/TO/SEO/ CImO/AO/CIP IO/EOL/ImO	1	60,000	60,000	60,000	75,420 (+25.7%)	-	68,480 (+14.1%)	-	68,480 (+14.1%)	-	15,180	15,180	15,180	19,081 (+25.7%)	-	17,325 (+14.1%)	-	17,325 (+14.1%)	-
			-	-	-	75,420	-	68,480	-	68,480	-	-	-	-	19,081	-	17,325	-	17,325	-
<b>Bramshill, UK (GBP)</b>																				
Group I	AOSGA1(D8)		-	-	-	3,540	-	3,320	-	3,320	-	-	-	-	45,347	-	42,529	-	42,529	-
	AOSGA(D6)		-	-	-	3,220	-	2,400	-	2,400	-	-	-	-	41,248	-	30,744	-	30,744	-
Group II	AOSGB1(D4)		-	-	-	2,360	-	1,630	-	1,630	-	-	-	-	30,232	-	20,880	-	20,880	-
Group III	AOSGB(D3)		-	-	-	1,430	-	1,240	-	1,240	-	-	-	-	18,318	-	15,884	-	15,884	-
	AOSGC(D2)		-	-	-	1,430	-	1,240	-	1,240	-	-	-	-	18,318	-	15,884	-	15,884	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO/SP	1	1,200	1,074	1,074	1,200 (+0.0%)	-	1,140 (+6.1%)	-	1,140 (+6.1%)	-	15,372	13,758	13,758	15,372 (+0.0%)	-	14,603 (+6.1%)	-	14,603 (+6.1%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	1,050	-	1,030	-	1,030	-	-	-	-	13,451	-	13,194	-	13,194	-
			-	-	-	1,050	-	1,030	-	1,030	-	-	-	-	13,451	-	13,194	-	13,194	-
<b>Lyon (EUR) - SP</b>																				
Group I	AOSGA1(D8)		-	-	-	3,010	-	2,910	-	2,910	-	-	-	-	33,773	-	32,651	-	32,651	-
	AOSGA(D6)		-	-	-	2,880	-	2,630	-	2,630	-	-	-	-	32,314	-	29,509	-	29,509	-
Group II	AOSGB1(D4)		-	-	-	2,500	-	2,280	-	2,280	-	-	-	-	28,051	-	25,582	-	25,582	-
Group III	AOSGB(D3)		-	-	-	2,250	-	1,940	-	1,940	-	-	-	-	25,246	-	21,767	-	21,767	-
	AOSGC(D2)		-	-	-	2,250	-	1,940	-	1,940	-	-	-	-	25,246	-	21,767	-	21,767	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO/SP	1	1,704	1,704	1,704	1,910 (+12.1%)	-	1,800 (+5.6%)	-	1,800 (+5.6%)	-	19,119	19,119	19,119	21,431 (+12.1%)	-	20,196 (+5.6%)	-	20,196 (+5.6%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	1,790	-	1,380	-	1,380	-	-	-	-	20,084	-	15,484	-	15,484	-
			-	-	-	1,790	-	1,380	-	1,380	-	-	-	-	20,084	-	15,484	-	15,484	-
<b>Manila (PHP)</b>																				
Group I	AOSGA1(D8)		-	-	-	408,340	-	344,960	-	344,960	-	-	-	-	73,603	-	62,179	-	62,179	-
	AOSGA(D6)		-	-	-	338,340	-	270,900	-	270,900	-	-	-	-	60,986	-	48,830	-	48,830	-
Group II	AOSGB1(D4)		-	-	-	268,660	-	192,140	-	192,140	-	-	-	-	48,426	-	34,633	-	34,633	-
Group III	AOSGB(D3)		-	-	-	174,060	-	143,990	-	143,990	-	-	-	-	31,374	-	25,954	-	25,954	-
	AOSGC(D2)		-	-	-	174,060	-	143,990	-	143,990	-	-	-	-	31,374	-	25,954	-	25,954	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO	1	130,000	130,000	130,000	141,260 (+8.7%)	-	129,710 (-0.2%)	-	129,710 (-0.2%)	-	23,433	23,433	23,433	25,462 (+8.7%)	-	23,380 (-0.2%)	-	23,380 (-0.2%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	127,260	-	111,400	-	111,400	-	-	-	-	22,939	-	20,080	-	20,080	-
			-	-	-	127,260	-	111,400	-	111,400	-	-	-	-	22,939	-	20,080	-	20,080	-
<b>Montreal (CAD)</b>																				
Group I	AOSGA1(D8)		-	-	-	5,480	-	4,870	-	4,870	-	-	-	-	44,050	-	39,146	-	39,146	-
	AOSGA(D6)		-	-	-	4,750	-	3,560	-	3,560	-	-	-	-	38,182	-	28,616	-	28,616	-
Group II	AOSGB1(D4)		-	-	-	3,450	-	2,510	-	2,510	-	-	-	-	27,732	-	20,176	-	20,176	-
Group III	AOSGB(D3)		-	-	-	2,270	-	1,940	-	1,940	-	-	-	-	18,247	-	15,594	-	15,594	-
	AOSGC(D2)		-	-	-	2,270	-	1,940	-	1,940	-	-	-	-	18,247	-	15,594	-	15,594	-
Group IV	SAO/PTO/CIO/ IPPO/PlmO/Sr Operations Offr	1	2,420	2,420	2,420	1,910 (-21.1%)	-	1,790 (-26.0%)	-	1,790 (-26.0%)	-	19,453	19,453	19,453	15,353 (-21.1%)	-	14,388 (-26.0%)	-	14,388 (-26.0%)	-
Group V	PIO/TO/SEO/ CImO/AO IO/EOL/ImO		-	-	-	1,760	-	1,640	-	1,640	-	-	-	-	14,147	-	13,183	-	13,183	-
			-	-	-	1,760	-	1,640	-	1,640	-	-	-	-	14,147	-	13,183	-	13,183	-

## Notes

1. Under the proposed Rent Allowance mechanism, different rates of allowance are set for officers at the five different levels,

Group I (Directorate Pay Scale point 8 and 6)

Group II (Directorate Pay Scale point 4/5)

Group III (Directorate Pay Scale point 1 to 3)

Group IV (Master Pay Scale point 45 - 49; Police Pay Scale 49 - 54a; General Disciplined Services (Officer) Pay Scale point 33 - 39)

Group V (Master Pay Scale point 44 & below; Police Pay Scale point 48 & below; General Disciplined Services (Officer) Pay Scale point 32 & below)

2. For Parts A - C, the column "No. of officers" shows the numbers of established posts in ETOs. For Part D, this column shows the numbers of officers that may be seconded overseas.

3. For each level, there will be two different rates of allowance, i.e. family rate and single/married rate to cater for different family circumstances

## Legend

AOSGA1 - Administrative Officer Staff Grade

AOSGA - Administrative Officer Staff Grade A

AOSGB1 - Administrative Officer Staff Grade

AOSGB - Administrative Officer Staff Grade B

AOSGC - Administrative Officer Staff Grade C

SAO - Senior Administrative Officer

PTO - Principal Trade Officer

CIO - Chief Information Officer

IPPO - Investment Promotion Project Officer

PImO - Principal Immigration Officer

PIO - Principal Information Officer

TO - Trade Officer

SEO - Senior Executive Officer

CImO - Chief Immigration Officer

AO - Administrative Officer

IO - Information Officer

EOI - Executive Officer I

ImO - Immigration Officer

AD of Marine - Assistant Director of Marine

CIP - Chief Inspector of Police

SP - Superintendent of Police

Sr Operations - Senior Operations Officer

Offr

F - Family (Officers accompanied by spouses and children)

M - Married (Officers accompanied by spouses)

S - Single Officers