

GUIDE TO LIVING AND WORKING IN HONG KONG

Introduction to Hong Kong

Hong Kong is arguably the most vibrant city in the world that takes its energy from a confluence between modern and traditional. Hong Kong has long been a favoured jurisdiction for those wishing to combine quality work with the unique lifestyle opportunities on offer from life in the region. Relatively high salaries, low taxation, generous holiday entitlement, a large number of public holidays and enviable geographical location together combine to provide all the ingredients for an irresistible career move.

The Legal Market

International law firms have had a presence in Hong Kong since the 1980s and their offices have grown and developed over this time so that many of the major UK and US law firms offer their clients a full service practice. The offices are staffed mainly by locally qualified and trained lawyers, but there are still a large number of foreign qualified lawyers who have either been seconded from their London or Australian offices or hired externally.

The majority of the international firms in Hong Kong will have a localised practice which means that they practice and advise on Hong Kong law and as such they offer a full service practice similar to their head offices in London, New York or Australia. Some of the US firms are not localised and so cannot advise on Hong Kong law issues. These firms tend to focus on US securities law and international financial transactions and are smaller in size to the localised offices.

The practice areas that tend to be the biggest within firms are corporate, finance, projects and litigation. There are also opportunities within the more specialised practice areas such as employment, IT/IP, construction and funds.

Lawyers specialising in all commercial practice areas will be marketable in the jurisdiction – the one exception is property law, where skills gained in common law jurisdictions are not considered easily transferable.

Chinese language skills are still highly valued and there are increasing opportunities for high quality lawyers who speak Mandarin or Cantonese.

Visas and Relocation

Any person, other than those having the right of abode or right to land in Hong Kong, must obtain sponsorship from a law firm in order to obtain a visa before travelling to Hong Kong to take up employment. British citizens can stay as tourists in Hong Kong for up to 6 months without a visa.

Dependants must obtain dependants' visas. If they want to work they will need their own work visas.

Hong Kong visa information is available on the HK Immigration Department website www.immd.gov.hk

Salaries

In recent years firms have restructured their remuneration processes, in order to bring foreign 'expat' lawyers more into line, financially speaking, with their local counterparts. The practical implications of this are simply that historic benefits such as housing allowance are usually no longer paid on top of salaries; the norm is now for salaries to be uplifted to take such benefits into account.

Basic Salary Levels

These figures are expressed in Hong Kong dollars per month.

Level	Salary (HK\$)
Newly Qualified	52,000 – 72,000
1 Year	60,000 – 79,000
2 Years	63,000 – 85,000
3 Years	67,000 – 92,000
4 Years	73,000 – 100,000
5 Years	83,000 – 110,000
6 Years	92,000 – 120,000
7 Years	100,000 – 130,000
8 Years	105,000 – 138,000

Approximate exchange rate as of December 2010 - £1 Sterling = HK\$ 12.4

The tax year runs from April 1 to March 31. Only wages earned in Hong Kong are liable for taxation.

Tax rates 2010

Net Chargeable Income (in HKD currency)	Rate
0 - 40,000 HKD	2%
41,001 - 80,000 HKD	7%
80,001 - 120,000 HKD	12%
Above 120,001 HKD	17%

The maximum tax, however, is limited to tax at the standard rate (16%) on the net assessable income (after any business deductions) less concessionary deductions but without the deduction of personal allowances.

Benefits

All of the firms provide some additional benefits. Benefits provided include:

<i>Type of Benefit</i>	<i>Number of Firms</i>
Private Medical	100%
Gym Membership	43%
Life Assurance	92%
International Flight	10%

The cost of living in Hong Kong is lower than that of London. One misconception of the cost of living in Hong Kong is that housing is prohibitively expensive. Whilst this certainly used to be the case, the downturn in the property market over recent years, together with the consistently high levels of disposable income, means that decent rental property is now far more affordable for lawyers than it once was. Indeed, given the trends across most other housing markets in recent years, the Hong Kong market now compares far more favourably than a number of other Western jurisdictions in this respect.

Requalification

It is a requirement that lawyers wishing to practice Hong Kong law be locally qualified. Until such time a number of restrictions will operate: you will most likely be employed as a Registered Foreign Lawyer, or alternatively a paralegal, and in either case you will not be permitted to write letters of advice in your name, or to attend a client meeting unsupervised.

The overseas lawyers' exams are sat once a year in October/November. Registration for the exams must take place by the preceding July. To be eligible to sit the exams lawyers will need to have at least two years of either formal training or post qualification experience (or a combination of both) gained in their home jurisdiction. Papers are sat in conveyancing, criminal and civil litigation, company law and professional conduct, although, for lawyers with more than five years' relevant experience, exemptions are available for all heads, effectively save for conveyancing.

After Work

Although the working atmosphere in Hong Kong is perceived to be more relaxed than that in London, the hours worked are fairly similar to those worked in the City firms, with the exception



that lawyers will work one or two Saturdays in every month, if required. Having said that, the culture is very much one of 'work hard, play hard', and moving to Hong Kong will often allow you to step into a ready made social life with your work colleagues.

The 'play hard' element of local life will usually attract many lawyers into one of the many bars or restaurants. Lan Kwai Fong is said by many to be the equivalent of London's Soho, and is a natural focal point of the evening. Hong Kong does, however, cater for many other interests: there are many spacious green parks, walking trails, golf courses and country clubs.

At the weekend you can either go shopping in the many shopping malls, socialise in the bars and restaurants or for a more relaxing time you can escape to the beach, go walking in the countryside or participate in one of the many team sports. Sport forms a large part of many expat's lives and there are several sports clubs that you can join that have superb facilities and are extremely sociable. Many of the large law firms own junks which they allow their associates to use at weekends and water sports such as sailing and wakeboarding are very popular.

Hong Kong is a main travel hub for Asia and it is possible to make weekend visits to places such as Bangkok, Shanghai, Singapore, Vietnam and the Philippines. Travel is cheap and you often get excellent flight and hotel packages through travel agents.

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