

2019

Domestic Survey: Australia

Summary

Global Mobility is increasingly being asked to manage or advise on domestic moves. Although there are key differences in domestic policies by country, there are also areas of efficiencies which can be leveraged on a global basis. To understand how companies are structuring in-country relocation policies, AIRINC collected benchmark data on the types of policies and relocation support provided for one-way domestic transfers in a number of countries. The survey examined the level and types of support offered for domestic moves as well as the decision-making approach when different levels of benefits are provided.

This report details what companies are offering for in-country relocation support in Australia. The majority of organizations have a formal policy designed specifically for Australian domestic moves, as companies have an important need to support such moves to attract and retain talent and meet critical business needs.



65% of respondents have a specific Australian domestic policy; 25% decide policy on a case-by-case basis



The level of **support provided for in-country Australian moves varies by job level for 35% of companies** and family size by 35%. 30% handle benefit flexibility on a case-by-case basis.



60% of respondents support relocation via a mix of cash and benefits-in-kind, 15% provide in-kind benefits only, and only 10% pay a lump sum to cover all relocation elements



When a **lump sum/cash** is provided, it most commonly **includes miscellaneous relocation costs (50%)** but only 30% include moving expenses



88% provide some form of support for moving expenses and 75% ship automobiles. 75% provide temporary household goods storage



A **miscellaneous relocation allowance intended to cover ancillary costs associated with the relocation is paid by 81% of companies**, with 71% grossing up this specific benefit to protect the employee



62% of companies offer home sale assistance in all or some cases, although of these companies 0% cover loss on sale. 25% cover lease cancellation fees for renters in the origin location



44% sometimes or always assist with the purchase of a house in the destination location



From a settling-in perspective, **84% of companies do not provide any additional transitional or "soft-landing" assistance**



If an employee leaves the company after relocation, **90% of companies have a claw-back or repayment clause in place**



Policy Overview

1. Do you have a formal policy for domestic relocations within Australia?	Number of Responses	Percent Responses
Yes, we have a policy specifically for domestic moves within Australia	13	65%
We don't have a domestic relocation policy for moves within Australia, but handle moves on a case-by-case basis	5	25%
We use a global domestic relocation policy for moves within Australia (i.e., we have one global policy which applies to all locations in which we have domestic moves)	0	0%
We use a regional domestic relocation policy for moves within Australia (i.e., we have a policy which applies to several locations within the same region)	0	0%
Other	2	10%
Total Responses	20	100%

2. In general, do you vary the level of support provided for domestic moves within Australia by job level, family size, or other factors (e.g., through tiers, core/flex, negotiation)? Check all that apply.	Number of Responses	Percent Responses
Yes, by job level	7	35%
Yes, by family size	7	35%
Handled on a case-by-case basis	6	30%
No, the same support is provided for all domestic moves within Australia	3	15%
Yes, by homeowner vs. renter	3	15%
Yes, by relocation distance	3	15%
Yes, by job function	2	10%
Other	3	15%
Total Responses	34	



Delivery and Calculation of Relocation Support

3. How are relocation benefits delivered?	Number of Responses	Percent Responses
Some benefits are reimbursed/delivered in-kind while others are supported through lump sum/cash allowances	12	60%
We reimburse employees for relocation expenses or pay providers directly (benefits-in-kind)	3	15%
We provide a lump sum/cash allowance to cover all relocation elements (shipping, travel, etc.)	2	10%
Other	3	15%
Total Responses	20	100%

4. If you provide a lump sum for relocation benefits, how is the amount calculated?	Number of Responses	Percent Responses
We determine the amount(s) in house	9	75%
Through a 3rd party calculator/tool	0	0%
Other	3	25%
Total Responses	12	100%

5. If you provide a lump sum for relocation benefits, does the amount vary by certain factors (e.g., job level, family size)?	Number of Responses	Percent Responses
Yes, the lump sum amount varies by certain factors	9	90%
No, the lump sum amount is the same for everyone	1	10%
Total Responses	10	100%

6. If you provide a lump sum for relocation benefits, what is the amount intended to cover? Check all that apply.	Number of Responses	Percent Responses
Miscellaneous costs (e.g., drivers' license fees, parking charges)	5	50%
Moving costs (packing and shipping household goods)	3	30%
Travel to destination location	2	20%
Costs to secure rental accommodation in the destination location for renters	2	20%
Temporary living	1	10%
Home sale assistance	1	10%
Lease cancellation assistance for renters	1	10%
Pre-departure/house-hunting trip	0	0%
Temporary household goods storage	0	0%
Automobile shipment	0	0%
Home purchase assistance	0	0%
Other	3	30%
Total Responses	18	



Average lump sum amount for relocation benefits:

AUD 3,667

7. For reimbursed or benefits delivered in-kind, do you set an overall maximum amount for relocation expenses?	Number of Responses	Percent Responses
No, approved expenses are covered without limit	8	47%
Yes, we set an overall limit which varies by certain factors (e.g., job level, family size)	6	35%
Yes, we set an overall limit which is the same for everyone	2	12%
We set a limit for some expenses, while others are covered without a limit	1	6%
Total Responses	17	100%



Average maximum for reimbursement/in-kind benefits:

AUD 11,373



Relocation Benefits for Domestic Moves within Australia

Pre-Departure/House-Hunting Trip

8. Does your company offer a pre departure/house-hunting trip to the destination location?	Number of Responses	Percent Responses
No	7	44%
Only in certain cases	5	31%
Yes, always	4	25%
Total Responses	16	100%

9. What costs are covered during the pre-departure trip? Check all that apply.	Number of Responses	Percent Responses
Hotel	9	90%
Transportation	8	80%
Airfare	7	70%
Meals	7	70%
Incidentals	3	30%
Child care	0	0%
Additional leave days	0	0%
Other	1	10%
Total Responses	35	



10. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
The company assists with the income tax costs (e.g., via gross-up)	6	75%
No company assistance; the employee pays all income taxes on the benefit	1	13%
Other	1	13%
Total Responses	8	100%

Moving and Storage Expenses

11. Does your company cover moving expenses (packing and shipping household goods) to the destination location?	Number of Responses	Percent Responses
Yes, up to a limit/maximum (please specify limit/maximum)	7	41%
Yes, with no limit/maximum	6	35%
Only in certain cases	2	12%
No	2	12%
Total Responses	17	100%

Comments on limit/maximum moving expenses: 2 64 CBM containers; 20ft for singles/couples, 40ft for families; 62cbm (a single 40ft container); 1 or 2 20ft containers (depends on family status); Varies by other circumstances such as employee initiated moves or length of time of storage

12. Does your company cover the cost to ship automobiles to the destination location?	Number of Responses	Percent Responses
Yes, up to 2 cars for any distance	5	31%
No	4	25%
Yes, up to 1 car for any distance	3	19%
Only in certain cases	3	19%
Yes, up to 2 cars if the distance between the origin and destination location is above a certain mileage	1	6%
Yes, up to 1 car if the distance between the origin and destination location is above a certain mileage	0	0%
Total Responses	16	100%

13. Does your company provide temporary household goods storage?	Number of Responses	Percent Responses
Yes, up to a certain number of days (average # of days = 76)	10	63%
No	4	25%
Only in certain cases	2	13%
Yes, up to a certain monetary amount	0	0%
Yes, with no limit	0	0%
Total Responses	16	100%

Temporary Living

14. Does your company provide for temporary living expenses at relocation?	Number of Responses	Percent Responses
Yes, up to a certain number of days (average # of days = 33)	13	81%
Yes, up to a certain monetary amount	1	6%
Yes, with no limit	0	0%
Only in certain cases	0	0%
No	2	13%
Total Responses	16	100%

15. What costs are covered for temporary living? Check all that apply.	Number of Responses	Percent Responses
Hotel/serviced apartment	15	100%
Transportation	4	27%
Meals	2	13%
Incidentals	0	0%
Other	2	13%
Total Responses	23	

16. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
The company assists with the income tax costs (e.g., via gross-up)	9	75%
No company assistance; the employee pays all income taxes on the benefit	2	17%
Other	1	8%
Total Responses	12	100%

Miscellaneous Relocation Allowance

17. Do you provide a cash relocation allowance to cover miscellaneous costs associated with the relocation?	Number of Responses	Percent Responses
Yes, always	11	69%
In certain cases	2	13%
No	3	19%
Total Responses	16	100%

18. How is the miscellaneous relocation allowance calculated?	Number of Responses	Percent Responses
One month's salary with no cap	3	21%
Flat amount by family size	3	21%
Flat amount for everyone	2	14%
One month's salary up to a cap	1	7%
10% of salary up to a cap	1	7%
1.5 months' salary with no cap	0	0%
Two months' salary up to a cap	0	0%
10% of salary with no cap	0	0%
Flat amount depending on homeowner or renter	0	0%
Other	4	29%
Total Responses	14	100%

Other: Flat amount depending on other factors such as package type, job level, employee vs. employer initiated; Included in lump sum



Average MRA:
AUD 4,667

19. What is the income tax treatment on this benefit?	Number of Responses	Percent Responses
The company assists with the income tax costs (e.g., via gross-up)	10	71%
No company assistance; the employee pays all income taxes on the benefit	3	21%
Other	1	7%
Total Responses	14	100%

Home Sale Assistance

20. Does your company assist with the sale of the employee's house in the origin location?	Number of Responses	Percent Responses
Only in certain cases	7	44%
No	6	38%
Yes, always	3	19%
Total Responses	16	100%

21. If applicable, which costs are covered by the company (check all that apply)?	Number of Responses	Percent Responses
Estate agent fees	7	78%
Closing costs	6	67%
Loss on sale of home with no limit/maximum	0	0%
Loss on sale of home up to a limit/maximum (please specify below)	0	0%
Company-appraised buy-outs	0	0%
Other	4	44%
Total Responses	17	

Other: Mortgage fees; Advertising; Legal fees up to a cap; Incidental costs subject to FBT exemption

22. Do you vary the level of home sale assistance by job level?	Number of Responses	Percent Responses
No	11	79%
Only in certain cases	2	14%
Yes, always	1	7%
Total Responses	14	100%

Rental Assistance

23. Does your company cover lease cancellation fees for renters in the origin location?	Number of Responses	Percent Responses
Yes, always	1	6%
Only in certain cases	3	19%
No	12	75%
Total Responses	16	100%

24. Is there a limit on the amount you will cover for lease cancellation assistance?	Number of Responses	Percent Responses
Yes, up to a certain number of months (average # of months = 1.8)	4	67%
Yes, up to a certain monetary amount	1	17%
No limit	1	17%
Total Responses	6	100%

25. Does your company cover costs to secure rental accommodation in the destination location for renters (e.g., realtor fees, etc. for permanent accommodation, not temporary living)?	Number of Responses	Percent Responses
Yes, with no limit	1	6%
Yes, up to a limit	2	13%
No	11	69%
In certain cases	2	13%
Total Responses	16	100%

Home Purchase Assistance

26. Does your company assist with the purchase of a house in the destination location (closing costs, estate agent fees, etc.)?	Number of Responses	Percent Responses
Yes, always	2	13%
Only in certain cases	5	31%
No	9	56%
Total Responses	16	100%

27. Please describe what type of house purchase assistance is provided (check all that apply):	Number of Responses	Percent Responses
Home inspection fees	2	33%
Estate agent fees	4	67%
Closing costs	3	50%
Other	4	67%
Total Responses	13	

Other: Stamp duty; Mortgage fees; Legal fees up to a cap; Lodgement fees for transfer of land; Incidental costs subject to FBT exemption



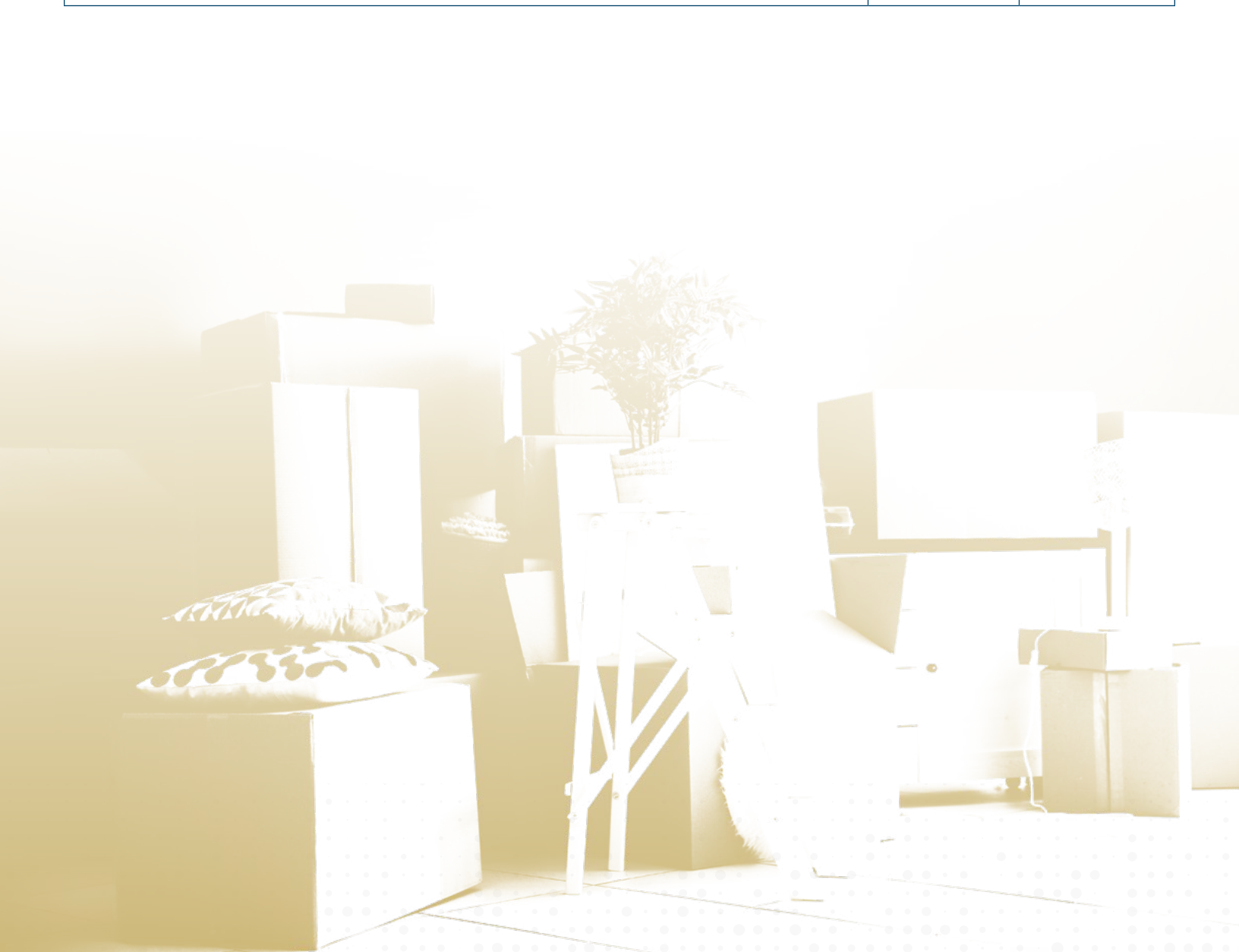
Additional Considerations

28. Do you provide transition or "soft-landing" assistance for any of the following?	Number of Responses	Percent Responses
Education	1	5%
Cost of living	0	0%
Hardship	0	0%
No additional transition assistance	16	84%
Other	2	11%
Total Responses	19	

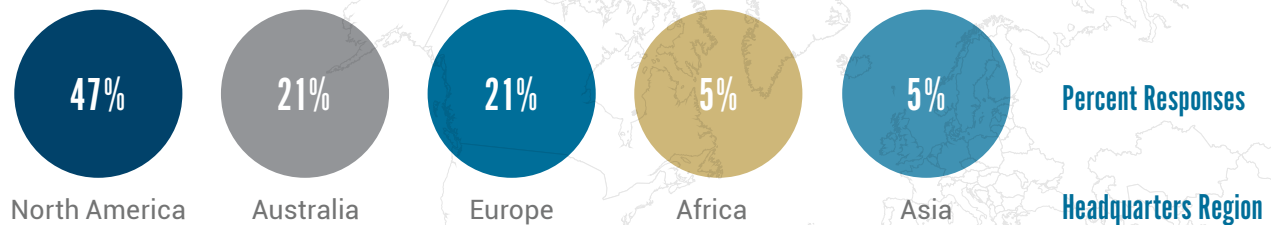
29. Do you cover any other relocation-related expenses for domestic moves within Australia?	Number of Responses	Percent Responses
Spousal assistance	6	35%
Destination Services	5	29%
Return trips to origin location	3	18%
Rental car	3	18%
Pet shipment	3	18%
No, we don't cover any other expenses	4	24%
Duplicate housing assistance	0	0%
Other	4	24%
Total Responses	28	

Other: Certain education costs; Only for employer-initiated moves; Company will reimburse for employee's discretion up to cap

30. Do you have a "claw-back" or repayment clause in which the employee must repay the company for some or all relocation costs if the employee leaves the company under specified circumstances within a certain time frame after moving?	Number of Responses	Percent Responses
Yes, within the first 12 months	8	40%
Yes, within the first 24 months	7	35%
Yes, within the first 36 months	0	0%
No, we don't have a repayment clause	2	10%
Other	3	15%
Total Responses	20	100%



Demographics



Primary Industry	Percent Responses
\$ Financial Services	21%
💻 Computers/Software	16%
👤 Consumer Goods	16%
💧 Oil/Gas	16%
🏠 Pharmaceuticals	11%
🌾 Agriculture/Crops	5%
🧪 Chemicals	5%
⛏ Mining	5%
🤝 Professional Services/Consulting	5%

Approximate number of intra-Australian relocations in the past year:	Percent Responses
Less than 10	41%
11 to 25	47%
26 to 50	12%
Total	100%

Partial List of Participating Companies:

- BD
- BP
- Bristol Myers Squibb
- GrainCorp Operations Limited
- Intact Financial Corporation
- Philip Morris Limited
- Rocket Software Inc.
- Saputo Inc.
- Shell Australia
- Treasury Wine Estates





Americas

AIRINC Headquarters

Cambridge, MA

United States of America

T +1 617 250 6600

EMEA

AIRINC Europe

Brussels, Belgium

T +32 (0)2 650 0970

AIRINC United Kingdom

London, United Kingdom

+44 (0)20 3514 8650

APAC

AIRINC Asia-Pacific

Hong Kong

T +852 2541 8380