

Global Mobility Challenges, January 2023

The first month of the new year has seen mobility continue at the same pace as in 2022, with a number of key changes and developments taking place around the world, within the housing market and the immigration sphere. This update provides a brief explanation of those main changes.

Property Market Updates

UK

We are pleased to see a slight increase in the availability of rental property in London. This is due to a slower sales market which is prompting landlords and property owners to move properties which aren't selling, onto the rental market.

We are also seeing a slight increase in the availability of serviced accommodation. However, costs remain high due to block/property owners needing to ensure that spiralling utilities costs are covered within the nightly rate.

Germany

Currently, the most challenging location in Germany is Berlin. Berlin Municipality has overturned rent control, creating an extremely competitive market with an average of over 1,000 applicants per property, even for studio or 1-bed properties.

As a result, landlords are becoming increasingly selective when it comes to choosing their tenants. They are showing a preference for European, German-speaking tenants, tenants who are willing to pay in advance or tenants who are willing to take on two/three year leases.

We anticipate that this situation will continue into and throughout the next quarter. Consequently, it is critical to forward plan and consider timings carefully when looking to relocate assignees to Berlin, as well as to Munich, Stuttgart, Frankfurt and other large German cities, all of which

are experiencing similar problems.

As a consequence of the additional time needed to secure permanent properties in multiple German cities, we have seen an increase in the serviced accommodation allowance - from 30 days to 45 or even 60. In a related vein, the availability of serviced accommodation across Germany seems to be increasing, and costs have begun to return to pre-Ukraine conflict levels.

Canada

As of 1st January 2023, if you are not a Canadian citizen or permanent resident, you are no longer able to purchase residential properties in Canada. This ban does not apply to cottages, lake houses or municipalities with a core population of less than 10,000. It also does not apply to those with temporary work permits, refugee claimants and international students who meet certain criteria.

The CERC, the ERC and others are currently lobbying the Federal Government to amend the ban so that all foreign nationals who are legally allowed to work in Canada are exempt from it. There is a great deal of confusion surrounding the subject, with experts as yet unable to provide any definitive answers. Therefore, if you are considering purchasing real estate in Canada, it is imperative that you consult with immigration lawyers and other legal experts before making a concrete decision.

Immigration

Sweden

Like many countries, Sweden is now becoming increasingly strict in its processing of work permit applications and is requesting more documents from applicants than ever before.

As a result, even small errors in an application are likely to lead to it being refused.

China

China has now lifted most of the travel restrictions that it implemented in 2020, which means that we can expect to see a substantial increase in the number of people travelling to China this year.

However, due to the recent surge in COVID-19 cases in China, many countries have implemented stricter restrictions for travellers arriving from China. Therefore, specific country requirements should be confirmed with your Immigration Consultant when planning any moves out of China.

Despite any challenges faced, K2 will continue to provide you with the very best service possible, ensuring that your assignees' relocation experience is a smooth and seamless one. To discuss any elements of this update further, please reach out to your dedicated Account Manager.

Pet Moves

Australia

The Australian Government has announced a series of stricter rules for pets entering the country. The rules will come into effect on 1st March 2023.

Under the new rules, all pets must be chipped with an ISO microchip and that microchip must be scanned by the official government vet in the country of origin at the start of the preparation process.

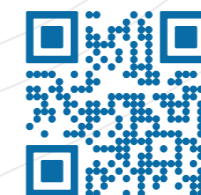
In addition, on arrival in Australia, pets will now need to remain in quarantine for 30 rather than 10 days. The additional 20 days of quarantine will cost pet owners approximately £367 per pet.

Shipping

Global

We are seeing a steady reduction in shipping and air freight rates across the globe. We are hopeful that this trend will continue and are keeping a close eye on the situation to see how it develops.

During 2022 we saw several container ports temporarily halt services due to employer strike action. We are in regular communication with our logistics partners regarding any planned strikes.



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