



COUNTRY GUIDE
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THE LEGAL MARKET

Many of the world's leading international law firms have operated in Japan for some time and have for several years taken Australian and New Zealand lawyers into their Tokyo offices. With the Japanese economy continuing to demonstrate strong signs of growth, Tokyo is once again a destination of choice for lawyers looking for a career in Asia. While the economy has somewhat contracted in the past, the recent growth in investment throughout the region and the strengthening of the Yen has increased the pace of recruiting into transactional practice groups. This has been driven strongly by Japanese Multinationals, particularly in the banking and energy sectors.

The leading firms tend to have full service capability but the majority of the demand for international lawyers lies in the various corporate M&A, capital markets, projects (energy, resources and infrastructure) and banking & finance teams. While lawyers without language skills have been able to obtain positions in the past, most successful candidates have had some level of Japanese proficiency. Tokyo is generally considered a difficult place to live for non-Japanese speakers, as the use of English signage is minimal and there is a relatively low level of general English proficiency.

SALARIES AND TAXES

Salaries in Tokyo have always tended to outshine those of other leading cities in Asia, primarily because of the higher cost of living. Like in most other international destinations, the leading firms have moved away from classic expatriate packages towards the provision of an overall package inclusive of salary and housing. A number of international firms offer packages in Pounds or US\$ which roughly equate to salaries in London or New York, however with the addition of a significant housing allowance.

Japan has a progressive income tax system which ranges between 15% and 40%. However, non-residents are taxed at a flat rate of 20%. The Japanese also operate a compulsory superannuation scheme, the Employees' Pension Insurance, which requires both the employer and employee to make joint contributions of 8%, up to a statutory maximum based on the employee's salary. Upon leaving Japan, this amount can be reclaimed in a lump sum less the applicable tax.

COST OF LIVING

Tokyo is one of the most expensive cities in the world, recently ranking 3rd in the global cost of living surveys behind Moscow and London.

Examples of current costs in Tokyo:

Two bedroom apartment in central Tokyo: US\$4200+ /month

Loaf of Bread: 407 yen

Litre of Milk: 204 yen

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Beer: (350ml 6 packs) 1,205 yen

Metro ticket: US\$2.60

Movie ticket: 1,800 yen

Coffee: US\$4.60

VISAS AND WORK PERMITS

Australian and New Zealand lawyers looking to work in Japan require sponsorship by their employer, who will obtain a work permit on their behalf. The international firms are all accustomed to running this process, and will provide the assistance required to gain sponsorship. Candidates will be required to provide a number of official documents to the sponsoring firm in order to expedite the process, which will be forwarded to the authorities in support of the visa application.

LIFESTYLE AND CULTURE

Tokyo is one of the world's liveliest cities with an outstanding restaurant and entertainment scene. The city is well serviced by public transport and a high-speed train network makes travel within the country efficient and straight forward. The greater Tokyo area is one of the most populated cities on the planet with an estimated 35 million inhabitants. Tokyo is a modern and vibrant city with contemporary architecture and few overt links to historical Japan. That said, the city has retained much of its ancient community spirit. The people of Tokyo have great pride for their city and show a deep respect for its cultural heritage.

FURTHER INFORMATION AND USEFUL LINKS

<http://en.wikipedia.org/wiki/Tokyo>

<http://www.japantimes.co.jp/>

http://www.moveandstay.jp/tokyo/info_info_for_expatriates.asp?lang=en

For more information on living and working in Tokyo contact one of our international experts on +61 2 9266 2900 or Email at ea@ea-int.com or visit our website: www.ea-int.com.