

**SUBMISSION BY THE WESTERN AUSTRALIAN MINISTER FOR LABOUR
RELATIONS TO HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON
EMPLOYMENT, EDUCATION AND WORKPLACE RELATIONS**

EMPLOYEE SHARE OWNERSHIP IN AUSTRALIAN ENTERPRISES

The Western Australian Government is supportive of organisations introducing employee share ownership schemes within their organisations.

The Department of Productivity and Labour Relations has produced a booklet *Employee Incentive Schemes* distributed in December 1998. There has been overwhelming interest in this booklet with over 1 700 copies distributed to employers and employer associations. A copy of the booklet is attached for your information.

The booklet is a guide to employee share ownership plans, gainsharing and profit sharing. These schemes provide a benefit to both employers and employees. Employers benefit through factors such as increased productivity, profitability and commitment from staff. Employees benefit through increased financial returns and influence within their organisation.

The Department has advised employers of the types of issues which they need to consider in establishing an employee share ownership scheme and stress the importance of professional advice.

Western Australian Newspapers and Westfarmers are two Western Australian organisations which have introduced employee share ownership plans and their experiences are outlined on pages 8 to 11 of the booklet.

The Department also promotes such schemes through its quarterly *Workplace Focus* which is distributed to over 3 000 employers. The Spring 1998 edition featured Woodside's employee share ownership scheme and a copy of the article is attached for your information.

Western Australia has a very flexible labour relations system with both workplace and industrial agreements available to employers and employees. Both forms of agreements enable employers to move away from the traditional prescriptive award system by negotiating alternative and more flexible terms and conditions of employment. Both forms of agreements can incorporate employee incentive schemes such as employee share ownership.

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