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Contact
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Dr Brendan Nelson MP
Committee Secretary
The House of Representatives Standing Committee
on Employment, Education and Workplace Relations
Room 116
Parliament House
CANBERRA ACT 2600

Dear Dr Nelson

EMPLOYEE SHARE OWNERSHIP SCHEMES IN AUSTRALIA

I understand that the House of Representatives Standing Committee on Employment, Education and Workplace Relations is seeking submissions from interested parties with regard to the extent of employee share ownership in Australia.

Please find enclosed a paper 1 prepared in 1997 that considers the issue of employee share ownership schemes in the context of privately owned companies, and in particular, the utilisation of employee share ownership plans as a succession planning tool for privately owned businesses.

As you will see from the attached paper, the most common form of employee share ownership scheme in the United States is that which transfers ownership in a private business from the owner/founder to the business' employees. Yet, this form of employee share ownership scheme is practically non-existent in Australia.

Given that the focus of employee share ownership in Australia has been on public company share plans, and given the significantly larger number of privately owned Australian companies, the issue of making employee share ownership plans accessible and attractive to privately owned companies is one that I hope your Committee considers.

If I can be of any further assistance, please do not hesitate to contact me.

Yours faithfully

Thomas Hardwick

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