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A EUROPEAN SINGLE MARKET FOR EMPLOYEE OWNERSHIP

Relaunching the single market should also involve a European policy for employee ownership. This is what large European companies have somehow anticipated the last fifteen years, setting up employee share schemes wherever they could. However, many obstacles hinder this development.

It is the responsibility of Europe to facilitate and encourage it.

In doing so, we refer for details to the Own-Initiative Opinion on employee financial participation voted by the European Economic and Social Committee on October 21, 2010. This Opinion contains all appropriate recommendations.

Considering employee ownership, an adequate European policy for present needs should be articulated around two main proposals, seeking both large enterprises, and small and medium sized ones.

Aimed at large enterprises:

Each European country should introduce into its legislation a "simplified model" of employee ownership.

In countries where appropriate legislation is lacking, this introduction would provide a first element of encouragement.

In countries where legislation is sophisticated and with a long tradition, like Britain and France, this sophistication forming an obstacle to employee share schemes for companies from neighboring countries, the introduction of a simplified model beside existing legislation would ease things considerably. Extending employee share plans beyond borders would be greatly facilitated for French companies in Britain and vice versa.

Aimed at small and medium sized enterprises:

Each European country should encourage the transfer of business to employees, following the example of what the U.S. has established since 1974 with the ESOP.

This is why we call for the introduction of a "European ESOP Model".

We don't go further here about the advantages of such a policy for the transfer of businesses beyond generations, for business owners and for employees, as well as for general economic health and entrepreneurship spirit.

There is a growing disparity here between Europe and the USA. It needs to be corrected.

This position paper was originally answering the consultation on the Single Market Act by European Commissioner Michel Barnier.

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The EFES' objective is to act as the umbrella organization of employee owners, companies and all persons, trade unions, experts, researchers, institutions looking to promote employee ownership and participation in Europe.