Picture of European employee share ownership in 2007
Comparing 14 European countries and Austria

Austria shows a growing interest for financial participation of employees. This presentation was made in Vienna on invitation of Vice-Chancellor and Minister of Finance Wilhelm Molterer and Minister of Economics and Labour Martin Bartenstein.

This information is based on EFES database, including all European groups whose market capitalisation was more than 200 millions Euro in May 2007. These are 2.500 groups, employing 33 millions people, on which 41 Austrian groups.

Compared with a set of 14 European countries, employee share ownership looks underdeveloped in Austria.

1. Considering the global percentage of capital held by employees, Austria looks not bad (Graph 1). However, this is due to a small number of wide Austrian companies having set up employee ownership foundations – quite similar to American ESOPs (Voestalpine, Flughafen Wien,...)
2. Beside these few groups, employee share ownership appears to be absent in many Austrian groups. Only 59% of Austrian groups have some employee share ownership – compared to 100% in Ireland (Graph 2).
3. Only 38% of Austrian groups have "broad-based" employee share plans (all-employee plans) - compared to 80% in France (Graph 3).
4. Low dynamics. Only 24% of Austrian groups launched new employee share plans in 2006 – compared with 44% in Denmark (Graph 4).
5. When they exist, employee share plans appear to be very recent compared to many other European countries. Irish groups launched their first employee share plan in 1994 in average – it was only in 2001 for Austria (Graph 5).
6. Finally, Austria seems also very low regarding stock options. Only 40% of Austrian groups have stock option plans – compared with 100% in Ireland (Graph 6).
% GROUPS HAVING BROAD-BASED ESO PLANS
(2,500 European widest listed groups)
% GROUPS LAUNCHED NEW ESO PLANS IN 2006
(2,500 European widest listed groups)