



MEDIA RELEASE

Chris Bowen MP

*Federal Member for Prospect
Minister for Financial Services, Superannuation and Corporate Law
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NEW LOCAL EMPLOYMENT BUYOUT CENTRE TO SUPPORT OVER 600 JOBS

September 11, 2009: Federal Member for Prospect and Financial Services Minister Chris Bowen today congratulated the Australian Employee Ownership Association (AEOA) for securing over \$1.8 million in Federal Government funding for a pilot project which will support 603 jobs in the Holroyd, Blacktown and Fairfield regions.

The creation of the Employee Buyout Centre will convert a dozen salvageable businesses with 600 jobs at stake into viable firms. The centre will empower and assist employees to buy out the companies they work for, as an alternative response to deal with company insolvencies, closures and break ups in South Western Sydney.

"This pilot project is one-of-a-kind and well-suited to south-western Sydney with its thriving industries including building, transport, construction and light manufacturing," Mr Bowen said.

"The work of the Employee Buyout Centre will go beyond the health of one company. Employee buyouts will support the jobs of mums and dads in Western Sydney, keep capital in the community and provide employees with a greater sense of workplace participation."

The AEOA successfully applied for funding through the Federal Government's Jobs Fund program which provides a maximum of \$2 million funding for one-off capital projects to create jobs, build skills and produce long-term improvements in local communities.

"A range of job seekers and workers will benefit with the project expected to create or retain 603 jobs, 30 traineeships and 30 work experience positions," Mr Bowen said.

The Employee Buyout Centre will be based in Fairfield and will work with local providers and business groups to offer mentoring and support services to businesses and employees throughout the buyout process.

AEOA President, Ian Woods, welcomed the Federal Government's decision to fund the Employee Buyout Centre adding, "This project is a unique example of what can be done to promote and protect jobs in Western Sydney through innovation."

"The AEOA is looking forward to working with local communities and businesses, unions and other stakeholders to drive the project and show what can be done by bringing people together."

About the AEOA

Since its founding in 1986, the Australian Employee Ownership Association [AEOA] has actively promoted employee ownership (or co-ownership) of the businesses where they work. It was formed by 20 companies as a member-focused, non-profit, private sector association to assist members with their employee ownership and participation efforts. Its mandate is to help Australian companies, trade unions and governments attain greater productivity and flexibility in the business sector, and to provide new jobs for Australians through shared ownership and workplace participation.

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