

Employers' Organizations in Austria

TRESMED 2

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Representing the Business Community

- Entrepreneurs are a minority
 - 3.2 million employees vs. 340.000 businesses in Austria
- Conditions for economic activity affect everyone - ‚We are all part of the economy‘
- Businesses needs an authentic voice
- Businesses services:
 - e.g. legal, taxes, training, international business
 - reliable, complete, fast, reasonable cost
- Politics needs facts, trustworthy advice, a partner for implementation



The Voice of Business in Austria

Two major national organizations which cooperate closely

Austrian Federal Economic Chamber

- all lines of business (except agriculture and the professions, 340.000 businesses)
- 9 Regional Chambers
- established by public law. Mandatory membership.

Federation of Austrian Industry (Industriellenvereinigung)

- 3.447 Members
- lobbying on (selective) issues relevant to industry (e.g. energy, R&D, labour law)
- 9 regional chapters
- voluntary membership. Member financed/controlled.



- 340.000 Businesses
- all lines of business - 7 Divisions
 - Commerce, Crafts & Trades, Industry, Tourism & Leisure Industries, Information & Consulting Services Industries, Transportation, Banking and Insurance
- membership financed (85 % membership fees, 13 % revenue from marketable services, 2 % public projects)
- member controlled
- independent from government
- elected business representatives (128 sectors) + (shared) staff
- WIFI (Vocational Training, largest in Austria > 200.000/year)
- AWO (International Trade Promotion, 100 countries)
- www.wko.at



- 3.447 Members (mainly manufacturing and prime materials sector, some services)
- Lobbying on selective issues relevant to industry (e.g. energy, R&D, labour law)
- 9 regional chapters closely connected to headquarters
- Voluntary membership
- Member financed
- Member controlled
- fields candidates for industry division of Austrian Federal Economic Chamber
- www.iv-net.at



The Austrian Federal Economic Chamber System

- 9 Regional Chambers + 1 Federal Chamber (umbrella). Corresponding to Austria's federal constitution.
- each regional chamber (regional or federal) in a wider sense encompasses
 - up to 128 trade associations (vertical organisations) and a
 - Chamber of Commerce in a narrower sense (horizontal).
- Although chambers and trade association have their own legal statute, there is **very close cooperation** both between vertical and horizontal organisational units as well as the regional and the federal level.



Main Tasks

- Business representation to government at all levels
- Information, business advice and counselling
- Collective wage bargaining with unions
- International trade support
- Economic development
- Skills training
- Social Partnership



Representing Business Interests at all Levels

Regional - Austrian - European Union Level



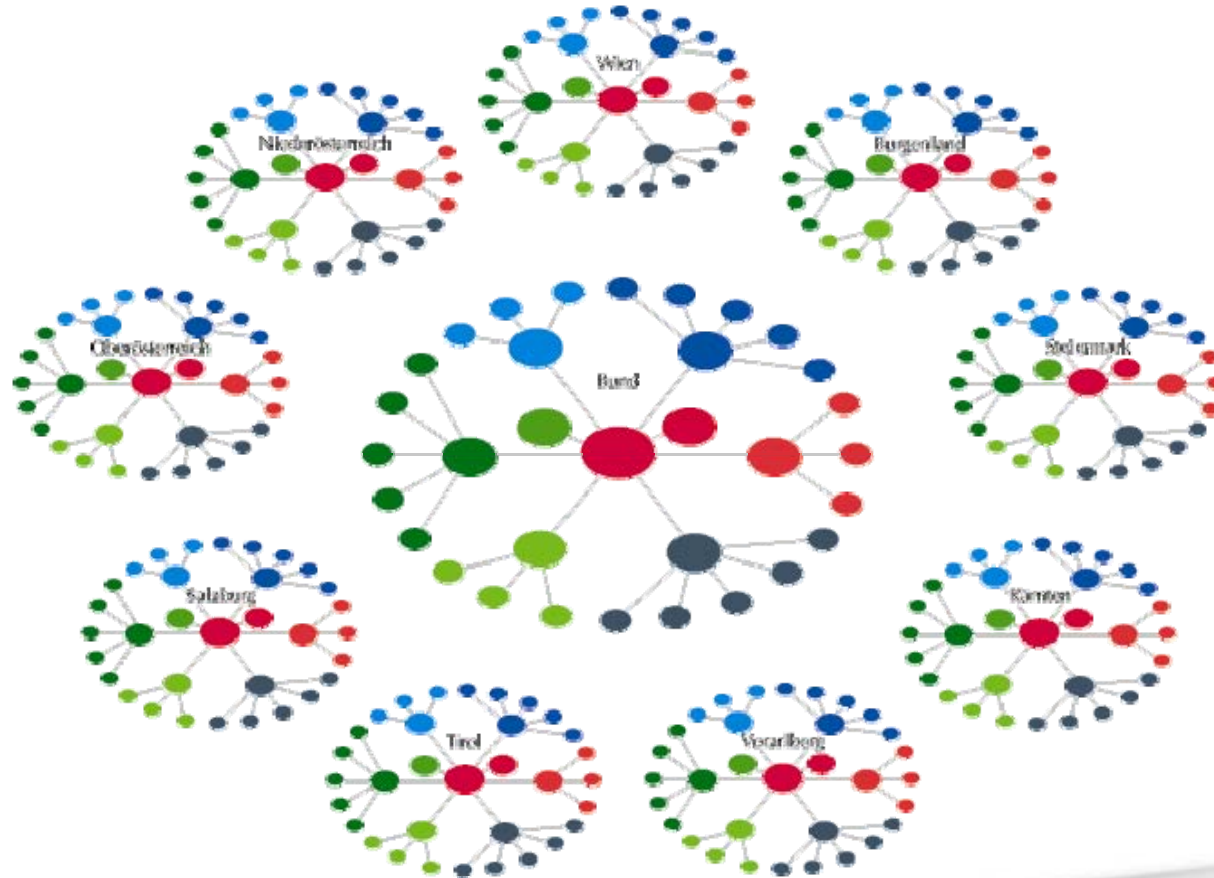
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Representing Interests from a Solid Base

- Statutory right to be consulted in legal process (regional, national, EU), access to government documents
- Power to negotiate with unions (relatively wide scope of collective bargaining contracts)
- Representing business sector in self-governance of social security institutions (regional and national level)
 - health insurance scheme (Gebietskrankenkassen, SV Hauptverband)
 - accident insurance scheme (AUVA)
 - pension system (PV)
 - unemployment insurance/employment services (AMS)
- Employer's side of Austrian Social Partnership



Service with dedicated Expertise



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A Democratic Employer Organization

- Election of business representatives every 5 years (last in 2005)
 - in every region
 - in every line of business
 - on the national level
- > 10.000 entrepreneurs directly involved
- + panels of experienced experts (entrepreneurs + employees).
- Interest groups (associated with political parties) field candidates to control the chambers
- representing big & small companies
- one voice - even if diverging interests (e.g. transport vs. tourism)



Comprehensive Services

- Vocational Training Division - WIFI
 - accessible on regional level in practically all sectors
 - largest in Austria > 200.000 every year
- International Trade Support - AWO
 - local offices/networks in > 100 countries
 - business financed - not government
 - officially accredited representatives



Employer's Organization with Responsibility

- Responsibility for common welfare
- Dynamic competitiveness - i.e. not at the cost of
 - environment
 - social fabric (including excessively low wages - productivity)
 - future economic potential (broad sustainability)
- Solidarity among entrepreneurs



Thank You

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