



New Zealand Aluminium Smelters Limited MEDIA STATEMENT

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NZAS to appeal Employment Court's Lieu Days decision

NZAS will seek leave to appeal the Employment Court's decision on accrual of 'lieu days' for 12-hour shift workers.

An application to the Court of Appeal will be made before 13 June 2014.

"Appealing the decision makes good business sense and I am aware that this case has not gone unnoticed by the government and other businesses. We are a fair employer that has been challenged on an unintended technical interpretation of a single sentence in a complex contractual setting," says NZAS Chief Executive and GM Gretta Stephens.

NZAS considers the Judge made an appealable error by disregarding the circumstances accompanying the introduction of the 12-hour shifts, instead focusing his attention on a single sentence in the contracts relating to additional leave for shift workers in lieu of statutory holidays. If shift workers work on a public holiday, they are paid time and a half for all time worked and also receive a full 12-hours alternative leave.

The 12-hour shifts were introduced at the request of shift workers, who were then working 8-hour shifts. After the longer shifts were introduced, shift workers continued to work the same total number of annual hours as before but over fewer days per year. The judge noted; "*It was generally agreed that NZAS was concerned that the change should not result in any additional cost to its business*". The impact of the judgment would result in more than \$20m additional cost to NZAS' business. This amount has increased due to salary movements since NZAS' previous calculation of \$19m at the end of 2013.

Until the Court of Appeal makes its decision, NZAS has no further comment to make on this case.

NZAS Contact – Andrea Carson, Community Relations – (03) 218-5440, (0274) 809-815

About NZAS

The Tiwai Point smelter is a world class facility which contributes \$525 million to the Southland economy annually (10.5 per cent of Southland's GDP) and supports more than 3,200 direct and indirect jobs in the region. In 2013, NZAS made \$352 million in payments to New Zealand suppliers, including \$42 million to suppliers in Southland.