

NZX and Media Release

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## Smiths City notes Employment Court decision

National furniture and appliance retailer Smiths City notes this week's Employment Court Decision, which determined the company's morning staff meetings were work as defined by section 6 of the Minimum Wage Act 1993.

The meetings, which were held in every Smiths City store before the stores opened each day at 9.00am, were aimed at giving staff information for the day ahead and help them in their work. Smiths City considered the meetings voluntary and as result it did not pay those staff who attended.

Smiths City now accepts the Employment Court's Decision that the meetings constituted work as defined by the Minimum Wage Act and that this resulted in some employees being paid below the statutory minimum.

Chief Executive Roy Campbell said: "We have now moved the sales meetings into employees' normal working hours. We are complying with the Employment Court order that we conduct an audit to identify where wages have been paid below the statutory minimum. The audit is covering all current and previous employees for the last six years. We will calculate the arrears of pay below the minimum wage and reimburse any affected employees accordingly."

Roy Campbell

Chief Executive.

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### About Smiths City Group Limited

Smiths City Group (NZX.SCY) was founded in Christchurch in 1918 and has a proud tradition as one of New Zealand's oldest and largest retail chains. The company floated on the stock exchange in 1972 and operates 35 stores (including 3 clearance centres) nationwide. The group comprises Smiths City Retail, Smiths City Finance and Smiths City Commercial. On the web: [www.smithscity.co.nz](http://www.smithscity.co.nz) and [www.smithcitygroup.co.nz](http://www.smithcitygroup.co.nz).