



## **New Zealand Aluminium Smelters Limited**

### **MEDIA RELEASE**

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#### **New Zealand Aluminium Smelters Limited continues to streamline operations**

New Zealand Aluminium Smelters Limited (NZAS) is continuing to streamline its operations to help return the smelter to viability in increasingly difficult economic conditions.

The smelter today announced that it will bring forward existing plans to resize its business.

In August 2011, NZAS announced plans to reduce its organisation by 100 roles over a five year period through natural attrition. To date, the smelter has reduced 35 of the 100 roles through natural attrition.

Due to deteriorating economic conditions, the smelter will now complete the organisational restructure by the end of November.

NZAS today commenced consultation with employees in relation to a number of potential restructure options, including voluntary redundancies, redeployment to other roles and forced redundancies, if necessary. Redundancy compensation has also been introduced.

General Manager, Ryan Cavanagh said, "The decision to bring forward plans to reduce the size of our organisation has not been taken lightly. We will ensure all impacted employees are being provided the appropriate support," he said.

"The smelter will work to redeploy employees to vacant roles within NZAS, and also support employees to explore redeployment opportunities within Pacific Aluminium and Rio Tinto.

"NZAS is facing tough economic headwinds, therefore it is imperative that we take urgent action right across our business to make the smelter resilient in any market conditions," Mr Cavanagh said.

#### ***Background information:***

- New Zealand Aluminium Smelters Limited (NZAS) is New Zealand's only aluminium smelter and is located on Tiwai Peninsula, across the harbour from Bluff in the province of Southland
- Annual production in 2011: 354,029 tonnes
- NZAS contributes \$525 million to the Southland economy annually (9 per cent of Southland's GDP) and supports more than 3,200 direct and indirect jobs in Southland
- In 2011, NZAS made \$391 million in payments to New Zealand suppliers, including \$51 million to suppliers in Southland

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