

1<sup>st</sup> May 2022

Dear Owners

For owner's resident in New Zealand, you will all be aware of the New Zealand Governments increase to the minimum wage which is to be paid to employees from the 1<sup>st</sup> of April 2022. The minimum wage rate is to increase from \$20.00 per hour to \$21.20. As advised in April last year since 2015 the New Zealand Minimum Wage in New Zealand has increase 43% from \$14.75 in 2015 to the current rate.

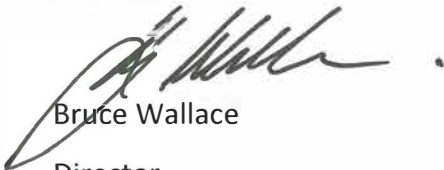
Labour is a large component of the cost associate with the care and training of thoroughbreds and your horse with the labour cost component making up 60% of the daily rate charged.

Since 2015 Wallace Thoroughbreds has increase its daily training charge each time the New Zealand Government has increase the minimum wage to the extent that the increased rate recovered the resultant labour cost paid to our employees.

Again, this year because of the move in the minimum wage the daily fees charged per horse will increase by \$2.92 per day and will be charge from the 1<sup>st</sup> of April 2022. This increase only recovers the costs associated with the lift to the minimum wage, increase in the sick pay entitlement from five to ten days and the additional Public Holiday, Matariki.

As always Grant and I appreciate your support.

Regards



Bruce Wallace

Director

Wallace Thoroughbreds Limited