

**IN THE EMPLOYMENT COURT OF NEW ZEALAND
CHRISTCHURCH**

**I TE KŌTI TAKE MAHI O AOTEAROA
ŌTAUTAHI**

**[2025] NZEmpC 243
EMPC 137/2024**

IN THE MATTER OF a challenge to a determination of the
Employment Relations Authority

AND IN THE MATTER OF an application for costs

BETWEEN RURAL PRACTICE LIMITED
First Plaintiff

AND REZA ABDUL-JABBAR
Second Plaintiff

AND A LABOUR INSPECTOR OF THE
MINISTRY OF BUSINESS, INNOVATION
AND EMPLOYMENT
Defendant

Hearing: On the papers

Appearances: M J Hammond, counsel for the plaintiffs
A K Webster, counsel for the defendant

Judgment: 11 November 2025

COSTS JUDGMENT OF JUDGE J C HOLDEN

[1] The plaintiffs unsuccessfully challenged a determination of the Employment Relations Authority.¹ The Labour Inspector now seeks an order for costs.

¹ *Rural Practice Ltd and Abdul Jabbar v A Labour Inspector of Business, Innovation and Employment* [2025] NZEmpC 198.

[2] The Labour Inspector assessed costs using the Employment Court’s guideline scale, with a categorisation of 2B.² That led to a figure of \$38,957.

[3] However, the Labour Inspector reduced the amount claimed to exclude time spent in relation to the adjournment of this matter in October 2024, to combine other time allocations, and to omit some steps. This led to a revised calculation of \$20,673.50, which counsel for the Labour Inspector confirms is less than the Labour Inspector’s actual costs.

[4] The Labour Inspector now seeks an order that the plaintiffs pay \$20,000 in costs, with the first and second plaintiffs jointly and severally liable to pay that sum to the Labour Inspector.

[5] The plaintiffs do not contest the detail of the Labour Inspector’s cost calculations. However, they point to two matters which, in their submission, support a reduction of the level of costs to be imposed:

- (a) They say the failure of the Authority to advise counsel of a potential apprehension of bias should be reflected in a reduction in costs.
- (b) They say that their financial position remains dire. In a memorandum filed by Mr Hammond, counsel for the plaintiffs, he advises that their bank will not advance any extra funding and that they currently owe his firm in excess of \$200,000 for costs incurred in this litigation and in a farm debt mediation process. No other information has been provided.

[6] The Court’s discretion with respect to costs is broad but must be exercised on a principled basis.³ The Court is assisted by the guidelines scale, the objective of which being to achieve predictability, consistency, and expediency in determining costs.

² Employment Court of New Zealand “Practice Directions” (1 September 2024) <www.employmentcourt.govt.nz> at No 1> at No 18.

³ Employment Relations Act 2000, sch 3 cl 19.

[7] In this case, the plaintiffs initially applied to have the scope of the challenge expanded to include an apprehension of bias as a ground of challenge.

[8] That application was declined although it was left open to the plaintiffs to make the submissions it considered to be relevant to the matters that were before the Court.⁴

[9] Although the plaintiffs made submissions referring to the alleged apprehension of bias during the substantive hearing, they were unsuccessful on the points that they made.⁵ I do not accept that any reduction is due with respect to that issue.

[10] Nor do I accept that the matters referred to by Mr Hammond in respect of the company's financial position merit a reduction in costs. In that regard, I refer to the points previously made with respect to the plaintiffs' financial position.⁶

[11] The amount sought by the Labour Inspector for costs is reasonable in all the circumstances. Accordingly, the plaintiffs are to pay the Labour Inspector \$20,000 in costs, with that obligation being joint and several against both plaintiffs. That sum is to be paid within 21 days of the date of this judgment.

J C Holden
Judge

Judgment signed at 9.00 am on 11 November 2025

⁴ *Rural Practice Ltd and Abdul Jabbar v A Labour Inspector of Business, Innovation and Employment* [2025] NZEmpC 65 at [12]–[13].

⁵ *Rural Practice Ltd and Abdul Jabbar v A Labour Inspector of Business, Innovation and Employment*, above n 1, at [10]–[13].

⁶ At [48]–[49].