

Under the Employment Relations Act 2000

**BEFORE THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND OFFICE**

BETWEEN Alistair Galpin (Applicant)
AND UNITEC (Respondent)
REPRESENTATIVES Tracey Wotherspoon for the applicant
Sean Williams for the respondent
MEMBER OF AUTHORITY James Wilson
INVESTIGATION MEETING 3 December 2004
DATE OF DETERMINATION 5 September 2005

COSTS DETERMINATION OF THE AUTHORITY

Background

[1] Mr Galpin sought leave from the Authority to raise a personal grievance outside of the 90-day limitation period. On the 9th of February 2005, the Authority Member, Mr Ken Raureti, issued a determination declining that application.

[2] Mr Raureti has now resigned as a member of the Authority but, at my request, has reviewed the respective parties' submissions and has made the following comments:

UNITEC have submitted an application for costs on the basis that it was successful in opposing Mr Galpin's claim and in its view costs should follow the event. UNITEC managed the whole employment relationship problem internally, using the expertise, knowledge and skill of an employee within its own specialised Human Resources Department. UNITEC submit that the total recorded attendances of that staff member managing this problem were approximately 50 hours, which it says makes no allowance for other time devoted by other UNITEC staff from management and academic. UNITEC have suggested that the employee's time could notionally be costed at \$90.00 per hour amounting to \$4500.00, but they are seeking an award of 50% of those costs plus disbursements of \$56.00.

Mr Galpin submits that UNITEC's approach is punitive and inappropriate. He indicates that the employee who represented UNITEC is a lawyer permanently employed within its HR Department, whose business is to deal with such matters as employment disputes. Mr Galpin indicates that UNITEC's costs are unreasonable and that, if costs are awarded, they should be awarded on the basis of a factor of 1.5 multiplied by the meeting time, times \$90.00.

The matter was not complex, and the investigation meeting lasted less than one and a quarter hours. The duration of the meeting reflects the relative straight forwardness of the facts. I appreciate the time associated with managing an employment relationship problem such as this, and also appreciate that often, more than one person is involved in the process at various stages throughout the life of the matter. That commitment and input into that time was all internal resource. In most employment relationship matters such time is often the largest hidden cost that is never factored in terms of the total costs. However, I would categorize that time as executive time which in this case is the core business of the HR Department and its staff.

Whilst UNITEC have been put through considerable costs in respect of time and people resources, it is my view that those costs should not be visited upon Mr Galpin. My recommendation is that the determination of this matter should be that costs should lie where they fall.

Determination

[3] Having read the Authority file and the substantive determination, and considered the parties submissions in this matter, I agree entirely with Mr Raureti's recommendation. There will be no order for costs.

James Wilson
Member of Employment Relations Authority