

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

**[2013] NZERA Auckland 417
5394778**

BETWEEN KEVIN HARPER
Applicant

AND FORMAT SIGNS LIMITED
Respondent

Member of Authority: Eleanor Robinson

Representatives: Applicant in Person
Jacques de Lange, Advocate for Respondent

Submissions received: 29 August 2013 from Applicant
13 September 2013 from Respondent

Determination: 16 September 2013

COSTS DETERMINATION OF THE AUTHORITY

Employment Relationship Problem

[1] By determination [2013] NZERA Auckland 377 the Authority found that the Applicant, Mr Kevin Harper, had been unjustifiably dismissed by the Respondent, Format Signs Limited (FSL). Mr Harper was successful and is entitled to a contribution towards his actual costs.

[2] Costs were reserved in the hope that the parties would be able to settle this issue between them. Unfortunately they have been unable to do so, and Mr Harper has filed submissions in respect of costs.

[3] This matter involved a half day of an investigation meeting. Mr Harper is seeking costs of \$4,878.10 (including GST).

Principles

[4] The power of the Authority to award costs arises from Section 15 of Schedule 2 of the Employment Relations Act 2000 which states:

15 Power to award costs

(1) *The Authority may order any party to a matter to pay to any other party such costs and expenses (including expenses of witnesses) as the Authority thinks reasonable.*

(2) *The Authority may apportion any such costs and expenses between the parties or any of them as it thinks fit, and may at any time vary or alter any such order in such manner as it thinks reasonable.*

[5] Costs are at the discretion of the Authority, as observed by the current Chief Judge Colgan in *NZ Automobile Association Inc v McKay*¹.

[6] The principles and the approach adopted by the Authority on which an award of costs are made are well settled and outlined in *PBO Limited (formerly Rush Security Ltd) v Da Cruz*².

[7] It is a principle set out in *PBO Limited (formerly Rush Security Ltd) v Da Cruz*³ that costs are modest. Costs are also reasonable as observed by the Court of Appeal in *Victoria University of Wellington v Alton-Lee*⁴ at para [48] “As to quantification, the principle is one of reasonable contribution to costs actually and reasonably incurred.

Determination

[8] The normal rule is that costs follow the event and Mr Harper is entitled to a contribution to his costs.

[9] Having had regard to the principles set out in *Da Cruz*, the time taken for the Investigation Meeting, and the conduct of the parties, I consider that a contributory award towards the Applicant’s actual costs is reasonable.

[10] Adopting the notional daily tariff rate of the Authority as \$3,500.00, I take that as the appropriate starting point for costs.

[11] I order FSL to contribute \$1,750.00 towards Mr Harper’s actual costs.

Eleanor Robinson
Member of the Employment Relations Authority

¹ [1996] 2 ERNZ 622

² [2005] 1 ERNZ 808

³ [2005] 1 ERNZ 808

⁴ [2001] ERNZ 305