

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

**I TE RATONGA AHUMANA TAIMAHI
TĀMAKI MAKĀURAU ROHE**

[2025] NZERA 303
3326080

BETWEEN HD CONTRACTOR
LIMITED
Applicant

AND ZE HOU
Respondent

Member of Authority: Peter Fuiava

Representatives: Cheng Cheng Foong, company director for the
Applicant
Respondent in person

Investigation Meeting: On the papers

Submissions or information received: 11 March 2025 from the Applicant
6 March 2025 from the Respondent

Determination: 30 May 2025

DETERMINATION OF THE AUTHORITY

What is the employment problem?

[1] This is an application by HD Contractor Limited (HDCL or the company) for compliance of a costs order made against Ze Hou in the amount of \$8,663.56.¹ Mr Hou was ordered to pay costs when he was unsuccessful in the Authority with his claims of unjustified disadvantage, unjustified dismissal and alleged wage arrears against the company, Ms Foong and her fellow co-director.²

How has the Authority investigated?

[2] It is not in dispute that Mr Hou is in breach of the Authority's costs order which he was required to pay in full by Friday 13 September 2024. Mr Hou claims that he

¹ *Hou v HD Contractor Limited & ors* [2024] NZERA 489 at [14].

² *Hou v HD Contractor Limited & ors* [2024] NZERA 409.

can only afford to pay costs at \$5 per week due to his financial position which HDCL does not accept.

[3] The essential issue involves consideration of s 138(4A) of the Employment Relations Act 2000 (the Act) and whether it is appropriate to order payment by instalments having regard to Mr Hou's financial position.

Discussion

[4] As requested by the Authority, Mr Hou provided information about his finances which consisted of a copy of his bank statements which show that he is in receipt of a Work and Income benefit, a letter from Inland Revenue that records a significant tax debt that he is paying at \$200 per week which would take a further 16 months to pay in full, evidence of another debt to Work and Income that is being paid at \$10.50 per week and which is expected to be fully paid by 6 October 2025, and a schedule of unpaid fines with the Ministry of Justice that Mr Hou is paying at \$20 per week and is expected to have fully satisfied by 2 October 2025.

[5] A copy of the above documents was forwarded to Ms Foong for her information. In response, she says that there are significant withdrawals from Mr Hou's bank account and a reference in his Inland Revenue statement to another bank account that has not been disclosed. As of 10 March 2025, Ms Foong notes that Mr Hou has only paid \$125 towards costs of \$8,663.56 which remains outstanding. At his current rate of repayment of \$5 per week, it would take an inordinate amount of time for HDCL to see that debt cleared.

[6] Ms Foong seeks a compliance order that Mr Hou pay the full amount owing in costs in one lump sum. In the alternative, she would agree to an instalment payment plan of \$250 per week plus interest.

[7] Mr Hou's statement from Inland Revenue shows that, as recently as December 2024, he had a bank account with the Industrial and Commercial Bank of China which has not been disclosed to the Authority. I note also that Mr Hou has recently visited China with the support of a third party. While I acknowledge that he is in receipt of a Work and Income benefit and is paying various debts here by instalment, I am not

satisfied that I have been provided with a complete picture of Mr Hou's assets and financial position.

[8] On the information before the Authority the following instalment plan is reasonable and is ordered:³

- (i) Mr Hou is to pay HDCL \$8,663.56 by instalment payments of \$100 per week with the first payment starting Thursday 19 June 2025;
- (ii) Mr Hou is to make successive payments of \$100 per week every Thursday until the total amount of costs is paid in full.

[9] The Authority has the power to award interest under cl 11 of the Second Schedule of the Act. In the event that Mr Hou fails to comply with the above payment instalment plan, HDCL is able to recover interest on the outstanding amount from the date of default to the date full payment of costs plus interest is made. The civil debt interest calculator shall be used to calculate interest.⁴

[10] If Mr Hou fails to comply with this compliance order, HDCL may apply to the Employment Court for it to exercise its powers under s 140(6) of the Act.

Outcome

[11] Ze Hou is ordered to pay HD Contractor Limited costs of \$8,663.56 less any payments made in the interim in accordance with the payment schedule set out at [8] above.

Filing fee

[12] The filing fee of \$71.55 is an amount HDCL can reasonably recover from Mr Hou that he is ordered to pay to the company within 21 days of the date of this determination.

Peter Fuiava
Member of the Employment Relations Authority

³ Employment Relations Act 2000, s 138(4A).

⁴ www.justice.govt.nz/fines/civil-debt-interest-calculator