

*Under the Employment Relations Act 2000*

**BEFORE THE EMPLOYMENT RELATIONS AUTHORITY  
AUCKLAND OFFICE**

**BETWEEN** Noeline Peach (Applicant)  
**AND** Bagirathi Enterprises Limited t/a Vita Health Stores (Respondent)  
**REPRESENTATIVES** Mark Nutsford, Advocate for Applicant  
Shireena Bagirathi, Director of Respondent  
**MEMBER OF AUTHORITY** Robin Arthur  
**SUBMISSIONS** 22 March 2006 (Applicant) and 5 April 2006 (Respondent)  
**DATE OF DETERMINATION** 6 April 2006

**DETERMINATION OF THE AUTHORITY ON COSTS**

[1] Determination AA52/06 issued on 27 February 2006 found the applicant's dismissal for redundancy was carried out in an unfair manner. The applicant was awarded compensation for loss of dignity and injury to her feelings.

[2] The determination noted that the applicant was entitled to a reasonable contribution to her costs in bringing her personal grievance application. The parties were encouraged to resolve the issue of costs between them but if they were unable to do so, either party could apply for the Authority to determine costs.

[3] The applicant has applied for a determination on costs. Her advocate provides an invoice indicating the applicant's actual costs were \$2250 (including GST) for his services in preparing for and attending the investigation meeting.

[4] The respondent was provided with an opportunity to comment on the application for costs. In a letter to the Authority Ms Bagarathi states the respondent cannot afford to pay the applicant's costs.

[5] The Authority's discretion to award costs is exercised on clearly-established principles. Generally the successful party is entitled to a reasonable contribution to her costs. Costs are not intended to punish or express disapproval of the unsuccessful party and the Authority may consider whether either parties' costs were unnecessary or unreasonable. Awards of costs are generally modest and frequently assessed on a notional daily rate of between \$1500 and \$3000 a day, depending on the complexity of the case.

[6] In this case the investigation meeting took less than three hours. The evidence consisted of concise written statements from the applicant and Ms Bagarathi, some supporting documents, and answers to questions in the investigation meeting. There was no complexity in the case or conduct of either party which unnecessarily lengthened the time required or the issues which needed to

addressed. I consider a reasonable contribution to the applicant's costs should be set at the lower end of the scale of the notional daily rate for less than half a day's meeting time. **Accordingly, the respondent is ordered to pay to the applicant the sum of \$600 as a reasonable contribution to her costs.**

Robin Arthur  
Member of Employment Relations Authority