IN THE EMPLOYMENT RELATIONS AUTHORITY
WELLINGTON

[2013] NZERA Wellington 105
5396077

	BETWEEN	FAAMANATUGA PAU First Applicant
	AND	LEPEKA LEQAKOWAILUTU Second Applicant
	AND	VENTURE PARTNER MANAGEMENT SERVICES LIMITED t/a TEONN CLEANING SERVICES Respondent

Member of Authority:	Michele Ryan
Representatives:	Ian Hodgetts, Advocate for the Applicants No appearance for the Respondent
Investigation Meeting:	5 June 2013 at Wellington
Submissions Received:	Oral submissions on the day of the investigation meeting
Determination:	28 August 2013

DETERMINATION OF THE AUTHORITY

Employment relationship problem

[1] The applicants, Mr Faamanatuga Pau (known as Mose) and Ms Lepeka Leqakowailutu, (Lepeka), claim they were each unjustifiably dismissed from their employment following a transfer pursuant to Part 6A of the Employment Relations Act 2000 (the Act) to Venture Partner Management Services Limited t/a Teonn Cleaning Services (Teonn).

[2] The applicants both request an order for reimbursement of lost wages and interest following their respective dismissals as well as compensation. In addition, the

applicants request an order requiring Teonn bargain with them for redundancy entitlements under s.69N of the Act, and an order pursuant to s.69O of the Act that the Authority determine what redundancy entitlements are due to the applicants if bargaining does not result in an agreement. The applicants also seek a penalty for breach of good faith under s.4A of the Act, and costs.

The Authority's investigation

[3] A copy of the applicants' statement of problem was delivered by CourierPost to Teonn's trading address on 7 January 2013. No reply to the statement of problem was received from Teonn despite numerous reminders by the Authority. Nor did Teonn participate in either of two pre-scheduled conferences calls[1].

[4] The Authority agreed to consolidate the separate claims made by the applicants and hear their matters together in a single investigation.

[5] Documents relating to the investigation were served at Venture Partner Management Services Limited's trading address on 14 March 2013. An attempt was also made to serve documents at its registered address on 14 March 2013 but service was not effected until 6 May 2013 when a Notice of Investigation Meeting, and associated documents[2] were attached to the door of the company's registered address.

[6] Service of documents was confirmed in an affidavit[3] dated 21 May 2013 and I am satisfied that Notice of Investigation Meeting and related documents[4] were served both at the business offices of Venture Partner Management Services Limited, being West Plaza, Level 8, 1-3 Albert Street, Auckland, as well as the company's registered office at 125 Custom Street, Auckland.

[7] Teonn did not attend the investigation meeting. At 10.07am the Authority sought to contact Mr Ryan at its trading address but the phone went to voice message and was unanswered.

[8] No good cause has been shown as why there was no appearance by Teonn at the Authority's investigation. Pursuant to clause 12 of Schedule 2 of the Act, the

[1] 28 February 20132 and 24 April 2013
[2] Notice of direction dated 11 March 2013, statement of problem dated 20 December 2012 and briefs of evidence x 3
[3] Affidavit of Service of Peter Clifford Shannon
[4] Ibid at 2

Authority proceeded with its investigation as if Teonn had duly attended or been represented.

[9] Mr Tupua Mea'ole Hanes James Keil (Mea'ole), an Organiser for Service and Food Workers Union Nga Ringa Tota, (SFWU), gave written and oral evidence in support of the applicants. Lepeka gave written and oral evidence on her own behalf. Mose did not attend the investigation meeting. I understand he was visiting family in the Pacific. A sworn affidavit dated 21 June 2013 containing Mose's evidence was provided to the Authority on the same date.

Summary of events leading to the applicants' claims

[10] Mose and Lepeka, both members of SFWU, worked for Spotless Services Limited (Spotless or SSL) pursuant to the *'NZ Cleaning Contractors Multi-employer Collective Employment Agreement, 1 April 2011 – 31 March 2013'* (the employment agreement).

[11] Each undertook cleaning work at 'City Centre Plaza' in Lower Hutt, Wellington. Lepeka worked 22.5 hours per week and Mose worked 4 hours per week.

[12] In August 2012 the Branch Manager of Spotless, Wellington, advised SFWU Organiser, Mea'ole, that Spotless had lost the cleaning contract at City Centre Plaza and the contract would end on 31 August 2012.

[13] Mea'ole advised Mose and Lepeka of the loss of the contract and this information was confirmed in letters dated 9 August 2012 from Spotless. The applicants were further advised of their right to elect to transfer their employment to the new cleaning contractor.

[14] It appears there was some confusion as to the correct name of the subsequent contractor. Spotless became aware of the identity of the incoming contractor on or about 7 August 2012 and wrote to Teonn advising that Spotless had notified affected employees that Teonn would be taking the work over and that those employees who worked at the City Centre Plaza may elect to transfer their employment to Teonn if they wished.

[15] On behalf of Teonn, Mr Karan Suri, Regional Manager, Wellington, responded by letter on 13 August 2012 and stated:

> *We at Teonn Cleaning Services are happy to take on your employees that are willing to change over under the agreed terms.*
> *…*
> *Are you able to advise me whether the staff are employed as cleaners or are labour hire staff that are undertaking cleaning duties that may just as easily undertake any other available duties.*

[16] On 14 August 2012, Mose and Lepeka each signed a form indicating their respective election to transfer employment to the new cleaning and service provider, Teonn. Teonn was advised on 17 August 2012 that two Spotless employees had elected to transfer their employment to Teonn, and enclosed relevant employment details.

[17] On 28 August 2012 Mea'ole contacted Mr Suri and expressed concern that SWFU members wishing to transfer to Teonn had not been contacted by it and advised:

> *Could you please give us a response as to whether Teonn Cleaning Services is intending to honour the provisions of the Act and time to meet with you tomorrow?...*

[18] Mea'ole received a response from Mr L Ryan on behalf of Teonn by email as follows.

> *As an aside, Teonn is a brand name only … which explains why it doesn't show up in a company search as you pointed out …*
>
> *My concern is at this point we still have not received the contact details for the cleaners in question. As you can imagine this makes contacting them difficult. Mr Nicholson from SSL emailed you yesterday saying that he would send us the details. We still have not received those. With the two cleaners in question being transferred to our employ this Saturday, I would have thought it a reasonable request to have their contact details before now.*
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> *I have only received a copy of the MECA from SSL last Thursday I am also told by SSL that I receive a copy of any transferring costs after the date of transfer. Correct me if I am wrong but I was under the impression s69OC(5) of the ERA meant we were to receive those figures well in advance of any transfer.*
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> *Anyway in answer to whether we intend to "honour the provisions of the ERA", the answer is "of course" but as I have already said it is not our fault that SSL has still not provided us a phone number address or email for their employees.*

[19] On 29 August 2012, Mr Suri met with the Mea'ole and the applicants. The evidence of Lepeka and Mea'ole is that the meeting was very brief. Each say Mr Suri was primarily interested in obtaining access to Centre City Plaza and Lepeka escorted him to the premises.

[20] Following the meeting Mea'ole left a voice message with Mr Ryan asking what if any further information was required by Teonn. He asked for confirmation that Teonn had received copies of the affected employees election to transfer and will be employed by Venture Management. The contents of his voice message were restated in an email of the same date. No response was received to the various messages sent.

[21] On 31 August 2012, the date on which Spotless' contract with City Plaza Services was due to terminate, Spotless agreed to maintain services at City Centre Plaza for a further week as Teonn was not operationally ready to commence service provision. Both Mose and Lepeka continued with their scheduled hours of work.

[22] Mea'ole's evidence is that no further communication was received from Teonn until 5 September 2012 when he received an email from Mr Ryan advising:

> *Re your members as discussed below. Due to the radically changed pricing arrangement with the mall in question and its change in cleaning requirements (cutting their cleaning time down to one hour per day for two cleaners) we have had to reassess what our next step is.*
>
> *We are unfortunately going to have to give Lepeka and [Mose] one week's notice as per clause 18.1 of their MECA. We are more than prepared to keep their names on our database to discuss an employment arrangement with the next contract in the region we take on but we cannot employ them further to work at the mall.*

[23] Mr Ryan commented on Spotless' business practices however these are not relevant to this matter and have not been recorded.

[24] On 6 September 2012, both Mose and Lepeka received a letter from Teonn which advised the following:

> *We are very sorry to have been put in the position of having to do this, but we are going to have to give you one week's notice as per clause 18.1 in your multi employer collective agreement to finish work cleaning at the mall. The mall has changed dramatically the hours required and the cleaning schedule and it means we just cannot continue your employment there.*
>
> *We have been in touch with the SFWU and informed them of having to do this also. We would like to retain your name and contact details on our database as the next contract that we secure in the area becomes available, we would like to talk to you about it. We pay more than Spotless do … and also provide our teams with a month's notice if the contract is ever lost to a competitor (rather than the week you currently have).*

> *Again we are sorry that this has happened this way and we wish you all the best should you choose not to talk with us about the next cleaning role we have available.*
> …

[25] On 13 September Mose and Lepeka each raised a personal grievance for unjustified dismissal and alleged breaches to Part 6A of the Act. The email further advised Teonn that their right to bargain for redundancy entitlements pursuant to Part 6A of the Act had been breached. Mr Ryan responded saying Spotless had delayed providing the applicants' contact details, that the client had changed its service requirements and that the Act as regards Part 6A was inoperative.

[26] On 19 September 2012 SFWU invited Teonn to reinstate the applicants with back pay and bargain with the union as to redundancy entitlements. In the alternative, SFWU asked Teonn to attend mediation to discuss the issues.

[27] Later that day Mr Jack Ryan[5] responded to Mea'ola advising that Teonn would be happy to discuss the matters at mediation. SFWU sought assistance from Mediation Services however neither SFWU nor Mediation Services were able to contact representatives of Teonn.

Issues

[28] The Authority is required to determine:

(i) Were Lepeka and Mose employed by Teonn and if so, were Lepaka and Mose made redundant?

(ii) Were Lepeka and Mose dismissed unjustifiably?

(iii) Has Teonn breached its obligations of good faith

(iv) Was Teonn obliged to bargain with Lepeka and Mose for redundancy entitlements?

(v) What remedies and/or orders should be made?

[5] It is unclear whether Mr Lance J. Ryan and Mr Jack Ryan are the same or different people

Were Lepeka and Mose employed by Teonn?

[29] Part 6A of the Employment Relations Act 2000 (the Act) provides a mechanism for certain categories of employees, such as those who provide cleaning services, to transfer to another employer who, due to restructuring, assumes control of the work previously performed by the employee. In this respect if the employee elects to transfer to the new employer then he or she becomes an employee of the new employer[6] on the same terms and conditions had with the original employer[7]. If the transferring employee is a member of a union and bound by a collective agreement the new employer becomes a party to the collective agreement but only in relation to, and for the purposes of, that employee[8].

[30] There appears to be no dispute that City Centre Plaza cancelled its service agreement with the applicants' employer Spotless and made arrangements with Teonn to provide services. In these circumstances Teonn can be characterised as a subsequent contractor as described by s.69C under Part 6A of the Act.

[31] I accept that the applicants were affected by the restructuring to services at City Centre Plaza and were employees who provided cleaning services and therefore a category of employee to whom Subpart 1 Part 6A applies. I conclude that each of the applicants, by their respective election to transfer to Teonn, became by operation of law (Part 6A, s.691(2)) an employee of Teonn.

Were Lepaka and Mose made redundant?

[32] I have no evidence to support an argument that the dismissals were a result of any cause or fault on the part of either of the applicants nor did the applicants voluntarily resign. Nowhere in the correspondence sent by Teonn to the applicants or their union do the words "redundant" or "redundancy" appear. Nor does the relevant collective agreement define what constitutes a redundancy.

[33] The causes for the applicants' termination of employment appear to be confined to the following two separate sentences: In the email to Mea'ole of 5 September 2012, Teonn states

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[6] Section 69(2)(a)
[7] Section 69I(2)(b)
[8] Section 69M

> "*Due to the radically changed pricing arrangement with the mall in question and its change in cleaning requirements (cutting their cleaning time down to one hour per day for two cleaners) we have had to reassess what our next step is."*

[34] In each of the letters dated 6 September 2013 to the applicants Teonn says:

> *"The mall has changed dramatically the hours required and the cleaning schedule and it means we just cannot continue your employment there"*

[35] The Employment Relations Act also does not provide a statutory definition of redundancy although s.69F refers to situations where, as a result of restructuring under Part 6A an employee is or will be, no longer required by his or her employer to perform the work, or part of the work, performed by the employee. In these circumstances Subpart 1 of the Act provides that an employee has a right to bargain for redundancy entitlements subject to their employment agreements.

[36] In the absence of any other information from Teonn I accept that it is likely that having obtained a service agreement to perform the work at City Centre Plaza, Teonn no longer required the applicants to perform the work they had previously undertaken and I accept their claims that they were made redundant.

Were Lepeka and Mose unjustifiably dismissed?

[37] Section 103A of the Act provides that the test of whether an employer's decision to dismiss an employee is justifiable, must be objectively assessed by an appraisal of whether the employer's actions (including the merits of a decision to dismiss for redundancy[9]), and how it acted were what a fair and reasonable employer could have done in all the circumstances at the time of dismissal. In applying the test the Authority must consider whether the employer observed minimum standards of procedure as set out at s.103A(3) when dismissing an employee.

[38] Further, s.4(1A) of the Act requires an employer to act in good faith. Amongst other things good faith obliges parties to an employer to be responsive and communicative, and when proposing to terminate an employee's employment, to provide the employee with access to information relevant to the decision; and an opportunity for the employee to comment on the information before a decision is made[10]. Where an employer is contemplating dismissal on grounds of redundancy,

[9] *Rittson-Thomas t/a Totara Hills Farm v Davidson* [2013] NZEmpC 39 at [54]
[10] Section 4(1A)(c) of the Act.

good faith requires an employer to consult with a potentially affected employee about the possibility of redundancy.[11]

[39] As regards substantive grounds for the dismissals, Teonn has not provided the Authority with any information as to the merits or genuineness of its decision to make the applicants redundant.

[40] In respect to how Teonn acted, it is clear that Teonn did not consult with the applicants at all about its proposal to restructure their work. Nor did it provide the applicants with access to information relevant to its decision before reaching a decision to dismiss. It follows that no opportunity was given for the applicants to comment on the proposal or allow for any discussion about redeployment. I find Teonn breached its obligations of good faith as contained at s. 4(1A)(c).

[41] It is unclear as to what resources were available to Teonn in respect of obtaining HR advice although I note in email correspondence Mr Lance Ryan and Mr Jack Ryan each record next to their respective names as having a degree in law with honours.

[42] I find Teonn failed to afford the applicants any statutory minimum standards of procedural fairness. It simply formed a decision to dismiss the applicants and conveyed that information by letter without prior notice or discussion. I am unable to regard the defects in Teonn's procedure as minor. Its omission to follow a proper process resulted in substantial unfairness for the applicants. In all the circumstances I do not consider Teonn's actions were what a fair and reasonable employer could have done at the time of dismissal. The applicants were unjustifiably dismissed and have personal grievance claims.

Requirements to bargain

[43] The applicants claim that Teonn did not bargain with them with respect to redundancy entitlements as it is obliged to do pursuant to s.69N of the Act. The applicants request an order requiring Teonn to bargain for redundancy entitlements[12] and an order fixing those entitlements under s.69O if bargaining does not result in agreement.

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[11] *Simpson Farms Limited v Aberhart* [2006] ERNZ 825 at [60]
[12] Pursuant to s.69N

[44] I deal first with the application for the Authority to fix redundancy entitlements. There are no provisions within the Act for the Authority to make prospective orders that are contingent on some other action or omission such as a failure of the parties to reach agreement during future bargaining. I am unable to make this type of order in this determination.

[45] Section 69N provides:

> **69N Employee who transfers may bargain for redundancy entitlement with new employer**
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> (1) This section applies to an employee if—
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> (a) the employee elects, under section 69I(1), to transfer to a new employer; and
>
> (b) the new employer proposes to make the employee redundant for reasons relating to the transfer of the employees or to the circumstances arising from the transfer of the employees; and
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> (c) the employee's employment agreement—
> (i) does not provide for redundancy entitlements for those reasons or in those circumstances; or
>
> (ii) does not expressly exclude redundancy entitlements for those reasons or in those circumstances.
>
> (2) The employee is entitled to redundancy entitlements from his or her new employer.
>
> (3) If an employee seeks redundancy entitlements from his or her new employer, the employee and new employer must bargain with a view to reaching agreement on appropriate redundancy entitlements.

[46] The Supreme Court in *Service and Food Workers Union Nga Ringa Tota Inc v OCS Ltd*[13] referred to the object section[14] of Subpart 1 of Part 6A of the Act and emphasized that a transferred employee's right to bargain for redundancy entitlements under Part 6A is subject to terms contained in the employment agreement between the parties.

[47] I note the relevant clause in the applicants' employment agreement at clause 25.2 is identical to the redundancy clause in the *OCS* case. It provides:

> *The parties to this Employment Agreement agree that no claims for redundancy payment will be made as a result of the loss of employment due to downsizing of client contract or loss of client contract.*

[13] [2012] NZSC 69; [2012] 3 NZLR 799
[14] Section 69A

[48] The Supreme Court found that the clause in the *OSC* case precluded the appellants from the right to bargain for redundancy payments as the issue of monetary entitlements had been expressly referred to and excluded in the agreement. However the Supreme Court examined the reference to "redundancy entitlements" and found that the phrase encompasses a wider definition that just monetary compensation, and included non-monetary entitlements such as retraining. In this respect the Supreme Court endorsed an earlier decision of the Employment Court on the matter[15] which held that the applicants were entitled to bargain for non-monetary entitlements as these had not been expressly excluded in the employment agreement.

[49] The material facts of this case are almost exactly the same as those in *OCS*. I find that if the applicants wish to seek redundancy entitlements, then Teonn is obliged to bargain in respect to those entitlements. However Teonn is not required to bargain as to monetary compensation as that entitlement is excluded in the collective agreement between the parties.

Remedies

[50] The applicants each seek reimbursement of lost wages, and compensation for humiliation, loss of dignity and injury to feelings, interest and costs. Each applicant has an individual personal grievance claim and I deal with their respective claims for remedies separately. There is no evidence that either applicant contributed to the situation that led to his and her personal grievance.

Remedies: Ms Lepeka Leqakowailutus

[51] Lepeka reports that she has always sought to obtain work around her domestic responsibilities. Since 2008 and 2009 onwards she has cleaned at Kiwi Rail in Moera for 1.5 hours, 5 days a week and at Hutt Valley High School for 19.5 hours a week respectively.

[52] Concurrent with those positions, from 2008 she worked at City Centre Plaza between 9am and 12.30pm Monday to Friday and 5pm to 10pm on Saturdays; a total of 22.5 hours per week. At the time of her dismissal her hourly rate was $13.85 per hour.

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[15] *Service and Food Workers Union Nga Ringa Tota Inc v OCS Ltd* [2010] NZEmpC 113

[53] Section 128(2) of the Act provides that where the Authority determines that an employee has a personal grievance and has lost remuneration as a result of the grievance, the Authority must order the employer to pay to the employee the lesser of a sum equal to the actual lost remuneration or to three months ordinary remuneration. In addition, s.128(3) provides that the Authority has discretion to award more than three months loss of wages.

[54] Lepeka says after she was dismissed she approached her employer associated with her other cleaning jobs and was able to secure a further 2.5 hours per week at Hutt Valley High School. She says she has continued to seek additional work since her dismissal but says it has been difficult to find additional work which allows for her child care commitments and the hours of work she currently undertakes. She has been unable to replace 20 hours of paid work she lost as a result of her dismissal. I am satisfied that Lepeka has properly attempted to mitigate her loss of income and it is now a matter of assessing her entitlement to reimbursement of wages.

[55] At $13.85 per hour and 20 hours per week I calculate Mr Lepeka's loss of wages as $277.00 (gross) per week. In the circumstances of this case I am prepared to exercise my discretion under s.128(3) of the Employment Relations Act and order a sum payable, for lost remuneration for a six month period following her dismissal.

[56] As regards compensation, Lepeka gave compelling evidence of the negative effects of her dismissal. She described both her distress and humiliation on advising her family of her dismissal in circumstances where she bears considerable financial responsibility for the welfare of her children and her mother. She says the family has fallen behind in both rent and hire purchase payments and she was required to sell amongst other things her teenage daughter's computer, purchased for school work, to a local pawn shop. Lepeka says she has borrowed money from the wider family which is yet to be repaid. I accept her evidence and award $8,000 as compensation pursuant to s.123(1)(c)(i) of the Act.

Remedies: Mr Faamanatuga Pau

[57] As noted Mose did not attend the Authority's investigation. His affidavit states he had worked at City Centre Plaza since 2007, working from 8am until 12pm (4 hours) on Saturdays. His hourly rate was also $13.85. He records that he found

work at the beginning of December 2012 for an equal number of hours to those he had performed following his dismissal.

[58] I calculate Mose lost the sum equal to 12 weeks' remuneration and award pursuant to s.123(1)(b) the sum of $664.00 (gross)[16]. I decline to exercise my discretion under s.128(3) to award compensation beyond 12 weeks as no further lost remuneration occurred beyond December 2012.

[59] Mose's affidavit states that he felt let down by Teonn and its failure to talk with him before dismissing him. I was not able to question or test his evidence and am only able to give limited weight to his affidavit in these circumstances. I note that the effect of his dismissal was that he lost 4 hours per week of paid work. I accept that he felt distressed by his dismissal. I consider an award $1,500 in compensation pursuant to s.123(1)(c)(i) is appropriate in the circumstances.

Interest

[60] The applicants seek interest on lost wages. Schedule 2, clause 11 of the Act gives the Authority power to award interest in matters involving the recovery of money at the rate prescribed under section 87(3) of the Judicature Act 1908. The prescribed rate is currently 5% per annum.

[61] I have awarded reimbursement of 6 months' wages to Lepeka. Had she not been unjustifiably dismissed she would have received wages during the six months following termination of her employment, although I recognise that the sum equal to the amount I have ordered as reimbursement would not have been received until the end of the six month period. In this respect I consider interest should therefore commence following the end of the six month period which I have calculated as 13 March 2013.[17] Teonn must pay interest at 5% per annum on the sum of $7,202.00 starting on 14 March 2013 until this sum is paid to Lepeka in full.

[62] I apply the same reasoning to Mose. He would have continued to receive wages from Teonn for a further 12 weeks until 30 November 2012 but for his unjustified dismissal. Teonn must therefore pay interest at 5% per annum on the sum of $664.00 commencing 1 December 2012 until this sum is paid to Mose in full.

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[16] Hourly rate of $13.85 x 4 hours = $55.40 per week x 12 weeks
[17] Lepeka's employment finished on 13 September following one week's notice on 6 September 2012

Should penalties be awarded against Teonn for breach of good faith?

[63] Section 4A provides that a failure to comply with the duty of good faith, as applicable to this matter, must be deliberate, serious and sustained or the failure was intended to undermine a collective agreement or an employment relationship.

[64] I regard Teonn's failure to consult with the applicants, or to provide any information about its decision to terminate employment prior to implementing that decision was a breach of its good faith obligations. I consider the breach had serious implications for the applicants and was deliberate and sustained for the following reasons.

- I do not accept any complaints from Mr Ryan that Teonn had problems in contacting the applicants. The applicants were at all material times represented by SWFU and there is no evidence to support any proposition that Mr Ryan had any difficulty engaging or corresponding with SWFU.

- Teonn's complaints to Mea'ole about the operation of Part 6A of the Act and/or the outgoing employer do not provide a reasonable explanation for its failure to communicate with the applicants about its intentions.

- I note that Mr Lance Ryan advised SWFU on 28 August 2012 that Teonn would *"of course"* honour the provisions of the Act. No further communication was received from Teonn until 5 September 2012 when it advised SWFU that the applicants were on one week's notice of termination of employment. Having reviewed the limited correspondence between Teonn and SWFU there is an appearance that Teonn was willing to say whatever was needed to obtain a smooth transition whilst Spotless withdraw at City Centre Plaza and Teonn made preparation to commence its services. Having achieved that objective on or about 5 September 2012 Teonn no longer needed to assert that it would employ the applicants and instead advised the union of the applicants' dismissal. I accept the inference that it was more likely than not is there was never any real intention by Teonn to employ the applicants. I regard Teonn's conduct as deceptive in this regard.

[65] As a matter of public policy I consider a penalty should be imposed to punish Teonn for its omission to (a) consult with the applicants and (b) provide information

about its view to dismiss on the grounds of redundancy. I consider $3,000 is appropriate for Teonn's failure to act in good faith.

Costs

[66] Costs are reserved.

Summary of orders

[67] Venture Partner Management Services Limited t/a Teonn Cleaning Services is ordered to:

i. reimburse Ms Leqakowailutu **$7,202.00** (gross); the sum equal to 6 months' lost wages pursuant to s.128(3), and interest at 5% per annum on that sum from 14 March 2013 until the sum is paid in full;

ii. pay Ms Leqakowailutu compensation pursuant to s.123(1)(c)(i) of **$8;000;**

iii. reimburse Mr Pau **$664.00** (gross); the sum equal to as 12 weeks' wages pursuant to s.123(1)(b) and interest at 5% per annum on that sum from 1 December 2012 until the sum is paid in full;

iv. pay Mr Pau compensation pursuant to s.123(1)(c)(i) of **$1,500**;

v. bargain with the applicants for non-monetary redundancy entitlements if the applicants which to pursue bargaining;

vi. pay **$3,000** to the Crown as penalty for breach of its good faith obligations pursuant to s.4A of the Act.

Michele Ryan
Member of the Employment Relations Authority