

**IN THE EMPLOYMENT RELATIONS AUTHORITY
CHRISTCHURCH**

**I TE RATONGA AHUMANA TAIMAHI
ŌTAUTAHI ROHE**

[2025] NZERA 796
3396664

BETWEEN PAIGE MEIKLE-THOMSON
Applicant

AND FEW BEERS LIMITED
First Respondent

GRANT MURPHY
Second Respondent

Member of Authority: David G Beck

Representatives: Lisa Meikle, advocate for the Applicant
Grant Murphy for the Respondent

Investigation Meeting: 24 November 2025 by audio visual link

Submissions Received: 24 and 28 November 2025 from the Applicant
24 and 25 November 2025 from the Respondent

Date of Determination: 8 December 2025

DETERMINATION OF THE AUTHORITY

Employment Relationship Problem

[1] Paige Meikle-Thomson applied to the Authority for an order pursuant to section 137(1)(a)(ii) Employment Relations Act 2000 (“the Act”) requiring Few Beers Limited (FBL) to comply with the terms of an agreement made with her. The agreement in dispute (the settlement agreement) was signed by both parties and an MBIE mediator pursuant to s 149 of the Act on 17 July 2025. It provided Ms Meikle-Thomson be paid a compensatory sum under s 123(1)(c)(i) of the Act of \$5,000 and that FBL pay a contribution to her legal costs in the

amount of \$10,000 plus GST. The latter payment was to be made ‘upon receipt of an invoice from Lane Neave which will be paid according to a payment plan to be agreed between FBL and Lane Neave’.

[2] Ms Meikle-Thomson advised that while her compensatory payment has been made the legal costs contribution remains outstanding. In addition, Ms Meikle-Thomson has pointed to breaches of other provisions of the settlement agreement, being a delay in providing a written apology and the sharing of confidential information with a person not party to the settlement agreement.

[3] As remedies pursuant to ss 137(1) and 149(4) of the Act, Ms Meikle-Thomson seeks a compliance order and penalties for identified breaches (to be paid to the applicant); costs and reimbursement of the Authority filing fee.

The Authority Investigation

[4] The Authority held an investigation meeting by an audio-visual link that was attended by Ms Meikle-Thomson, Lisa Meikle and Grant Murphy. The Authority was also provided with written statements and additional information from both parties.

[5] Mr Murphy who was a party to the settlement agreement and signed the document on behalf of FBL as director (the company majority shareholding being a family trust), emphasised at the time of settlement he was aware the company had insufficient funds to meet Ms Meikle-Thomson’s legal costs and asserted that is why he agreed to payment by instalments. The relevant clause of the settlement agreement is as follows:

FBL agrees to pay a contribution towards Paige’s legal costs to the amount of \$10,000 plus GST upon receipt of an invoice from Lane Neave, which will be paid according to a payment plan to be agreed between FBL and Lane Neave.

[6] Mr Murphy claimed a delay was caused initially by Ms Meikle-Thomson’s law firm not contacting him and then providing an unrealistic payment plan. Mr Murphy says he made efforts to contact the law firm but received no response. Up until the investigation meeting, while indicating he was willing to address the matter, Mr Murphy had done nothing further to mitigate the situation.

[7] Mr Murphy asserted that FBL (operating a licenced premises in Lake Hayes, Queenstown) has ceased trading and is in financial difficulties with their landlord seeking to cancel a lease pertaining to the premises the business operates out of. Information provided showed the lease and company operation was in the process of being transferred and assigned to a company owned by Mr Murphy's partner Aimee Fitzgerald. Ms Fitzgerald was alleged as a party to the breach of the settlement agreement's confidentiality clause, as despite not being a party to the settlement agreement, she was specified as having to provide Ms Meikle-Thomson with a written apology but was also apprised of the wider content of the settlement agreement by Mr Murphy. Mr Murphy indicated as he is in a personal and business relationship with Ms Fitzgerald there was nothing untoward about this breach.

[8] Generally, Mr Murphy cited personal reasons for his company's financial problems were linked to him being incapacitated due to an injury that prevented him working and earning.

[9] For Ms Meikle-Thomson, evidence was provided that showed her lawyers invoiced Mr Murphy on 8 August 2025 as per the settlement agreement and in an email of the same date suggested the total amount due of \$11,500 (inclusive of GST) be paid off over three months by weekly (\$958.33) or fortnightly (\$1,916.67) instalments. Upon getting no response, a further email of 18 August was sent to Mr Murphy that indicated the total amount was due on 22 August but noted "... you are wanting to make payment towards your account. Can you please urgently advise when the first payment will be made, the amount, and the frequency of payments." Ms Meikle-Thomson's lawyer's Finance Manager provided affidavit evidence that they up to date (12 November), had no further contact from Mr Murphy.

[10] Mr Murphy claimed he made multiple attempts to contact Ms Meikle-Thomson's lawyer's but provided no evidence of this. Ms Meikle-Thomson disclosed an email exchange of 11 November in which Mr Murphy offered to put in place a weekly payment of \$100. The Authority was provided with no further correspondence or any evidence that Mr Murphy had addressed the payments issue further. At the investigation meeting Mr Murphy says he was exploring seeking a personal loan to address the debt outstanding that he acknowledged he had personal responsibility for.

Assessment

[11] In short, I was not convinced that despite some personal and financial difficulties, Mr Murphy took any steps to meet the obligations he had agreed to on FBL's behalf. Ms Meikle-Thomson was understandably distressed by the obligations not being met that had caused her parents to incur significant debt in meeting legal costs. I find that although the settlement agreement was not well drafted, in that it omitted to specify a payment plan setting out agreed instalments, it was breached by Mr Murphy's abject failure to address an agreement to meet the obligations he had undertaken and agreed to. I was particularly concerned by his evidence that he entered into the settlement agreement knowing FBL had no funds to meet the legal costs contribution, and he then made no reasonable arrangement to meet the agreed obligations.

[12] I also find that to a lesser extent, there were breaches to provide a timely apology letter to Ms Meikle-Thomson and she was entitled to be concerned that Ms Fitzgerald was privy to the settlement agreement terms not pertaining to her. I however do not find these breaches were committed on the latter two issues to the extent that they are liable for penalties as they were inadvertent, and I accept Mr Murphy followed legal advice.

[13] The breach pertaining to the legal costs' contribution is however more significant and had an element of deliberation in Mr Murphy's omissions. I consider a penalty is warranted and is discussed below.

Imposition of a penalty and whether it should be awarded to Ms Meikle-Thomson?

[14] Failure to fulfil the terms of a settlement agreement is a serious breach of the Act. The Authority under s 133 of the Act has the jurisdiction to award a penalty against a defaulting party. In the situation of a company, the maximum penalty is \$20,000 for each breach and I must consider matters set out in s 133A of the Act in determining what if any, amount I should impose including whether the penalty should be paid to the Crown or apportioned. This is a discretionary exercise.

[15] Generally, the approach the Authority takes is guided by the full Employment Court decision of *Borsboom v Preet PVT Limited*¹. *Preet* identified a four-step framework to fixing penalties:

Step 1: Identify the nature and number of statutory breaches. Identify each one separately. Identify the maximum penalty available for each penalisable breach. Consider whether global penalties should apply, whether at all or at some stages of this stepped approach.

Step 2: Assess the severity of the breach in each case to establish a provisional penalty starting point. Consider both aggravating and mitigating features.

Step 3: Consider the means and ability of the person in breach to pay the provisional penalty arrived at in Step 2.

Step 4: Apply the proportionality or totality test to ensure that the amount of each final penalty is just in all the circumstances.²

The nature and extent of the breaches

[16] It is evident that the breach of the settlement agreement was not short lived, and Mr Murphy failed to adequately engage to explain his failure to put in place an instalment plan that was clearly intended for his convenience. It is not trite to state that agreements made under s 149 of the Act are compromises in which each party gives up something. For the employee this usually involves a resignation in return for compensation and a commitment to give up personal grievance options and the employer gains finality of the matter. In this context Mr Murphy appears to have entered an agreement with an envisaged schedule of payments that presumably suited the company's financial circumstances. If this was not the case it is possible Mr Murphy was simply reckless in making a commitment he later says he knew was unlikely to be fulfilled.

Were the breaches intentional, inadvertent or negligent?

[17] While the compensatory payments have been met in a reasonably timely manner there was no cogent or compelling explanation why Mr Murphy did not start a schedule of payments to meet the legal costs agreement he entered, rather he avoided contact with Ms Meikle-Thomson's lawyers. On the evidence, I conclude the breach was intentional.

¹ *Borsboom v Preet PVT Limited* [2016] NZEmpC 43.

² At [151].

What steps have been taken in mitigation?

[18] I acknowledge that the amount of legal costs due fell within a very difficult period for Mr Murphy's business, but he took no steps to address matters.

Severity of breaches

[19] On top of statutory considerations (the aims of the Act), I am obliged following *Preet*, to assess the extent of Few Beers Limited's culpability and take the public interest factor of using the penalty regime as a legitimate deterrent into account. The amount still outstanding is not insignificant.

Means and ability of the respondent to pay

[20] I was provided information that showed the company was in a financial crisis and their ability to pay on time was compromised but I was not provided with sufficient information to show Mr Murphy was unable to take steps to rectify this situation.

Proportionality

[21] This step requires me to stand back and consider consistency with other comparable situations where the Authority has imposed penalties and to assess whether the final figure I determine is in proportion to the extent and severity of the breaches and the context of such. In considering similar cases of breaches of certified settlement agreements, a penalty in this matter would likely fall in the range of \$2,000 to \$3,000.³ However, given the initial breaches have been resolved in a reasonably prompt fashion and other factors I have considered, it warrants only a modest deterrent penalty against Few Beers Limited that I fix at \$800 to be paid in full to Ms Meikle-Thomson.

³ See, for example, *A Labour Inspector v Vishnu Hospitality Limited* [2018] NZERA Auckland 383 (\$2,000); *High v Mighty Rocket Properties Limited* [2018] NZERA Wellington 111 (\$6,000); *Mangos v Metrofloor Contracting Ltd* [2018] NZERA Christchurch 46 (penalty \$1,500); and *Elliot v All Coat Painters Limited* [2019] NZERA 165 (\$3,000) and *Singh v Mega Civil Limited* [2020] NZERA 21 (\$3,000).

Orders

[22] A compliance order pursuant to s 137 of the Employment Relations Act 2000 is granted on the terms that Mr Murphy is to ensure that Few Beers Limited pays the outstanding legal costs of \$11,500.00 owed to Paige Meikle-Thomson's lawyers, Lane Neave, in full by no later than 16 January 2026.

[23] Within 28 days of the date of this determination being issued Mr Murphy is to take steps to ensure Few Beers Limited has sufficient funds to pay a penalty to Paige Meikle-Thomson in the sum of \$800.00.

Costs

[24] Costs are at the discretion of the Authority. I consider that a costs contribution is not appropriate as Paige Meikle-Thomson was not legally represented but the Authority filing fee of \$71.55 is to be paid by Few Beers Limited to Paige Meikle-Thomson by 16 January 2026.

David G Beck
Member of the Employment Relations Authority