

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

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

[2026] NZERA 155
3376563

BETWEEN RICHMOND CAPISTRANO
SOLLANO
Applicant

AND SHORCOM LIMITED (in
liquidation)
First Respondent

AND ANTHONY CORIN
Second Respondent

Member of Authority: Peter Fuiava

Representatives: Applicant in person
Second Respondent in person

Investigation Meeting: 13 March 2026 in Auckland

Determination: 16 March 2026

ORAL DETERMINATION OF THE AUTHORITY

What is the employment relationship problem?

[1] This is a wage arrears claim in the amount of \$15,230.40 that Richmond Sollano has brought against his former employer Shorcom Limited (Shorcom or the company). On 11 February 2026, Shorcom was placed into liquidation which means that legal proceedings against the company cannot continue without leave of the liquidator or an order of the High Court.¹

[2] However, Shorcom's liquidation does not mean that Mr Sollano is left with no means of redress because under s 142Y of the Employment Relations Act 2000 (the Act), he can recover wages or other money payable from a person who is not his employer. Here, Mr Sollano's seeks leave under s 142Y and s 142W of the Act for

¹ Companies Act 1993, s 248(1)(c)(i).

Shorcom's sole director, Anthony Corin, to be made personally liable for his unpaid wages and annual leave.

How has the Authority investigated?

[3] I held two case management conferences with the parties and issued two Minutes which record the following issues for investigation and determination:²

- (i) Is Mr Sollano owed outstanding salary and accrued holiday pay and if so, what is the correct amount owed? Based on his records, Mr Sollano says that he is owed \$15,230.40.
- (ii) Should leave be granted under ss 142Y and 142W of the Act to declare Mr Corin, Shorcom Limited's sole director, a person involved in the breach of employment standards?
- (iii) What remedies should be awarded?

What are the relevant facts?

[4] Mr Sollano worked as a construction project manager for Shorcom from 15 July 2024 until 17 February 2025 when he resigned because the company had failed to pay his outstanding salary and accrued holiday pay. This is in spite of multiple attempts on Mr Sollano's part to resolve matters directly with Mr Corin, Shorcom's sole director.

[5] Mr Corin accepts that Mr Sollano is owed wages which means that liability and quantum are issues that are not in dispute. By way of explanation, Mr Corin says that a debt owed to Shorcom by a property developer was not paid which adversely affected the company.

[6] By agreement with Mr Sollano, this investigation was adjourned to give Mr Corin time to pay, but the situation remains unchanged and Shorcom is now liquidated.

What is the relevant law?

[7] As noted above, s 142Y of the Act provides an avenue for an employee to recover wages or other money payable from an individual who is not their employer:

² Minutes dated 15 September and 5 December 2025.

142Y When person involved in breach liable for default in payment of wages or other money due to employee

- (1) A Labour Inspector or an employee may recover from a person who is not the employee's employer any wages or other money payable to the employee if—
 - (a) there has been a default in the payment of wages or other money payable to the employee; and
 - (b) the default is due to a breach of employment standards; and
 - (c) the person is a person involved in the breach within the meaning of section 142W.
- (2) However, arrears in wages or other money may be recovered under subsection (1) only,—
 - (a) in the case of recovery by an employee, with the prior leave of the Authority or the court; and
 - (b) to the extent that the employee's employer is unable to pay the arrears in wages or other money.

Leave granted under s 142Y

[8] Under s 142Y(2)(a) and (b) of the Act, an employee seeking to recover money from a person who is not their employer can only do so with prior leave of the Authority or court and then, only to the extent the employer is unable to pay the money owing.

[9] The first step is determining whether there has been a default in the payment of wages or other money. Both Mr Sollano and Mr Corin agree that this is the case.³

[10] The second step requires me to be satisfied that the default in the payment of wages is due to a breach of employment standards.⁴ "Employment standards" is defined in section 5 of the Act and includes the provisions of the Wages and Protection Act 1983. Under s 4 of that Act, an employer is required to pay a worker their entire wages when these become payable and without deduction.

[11] The third step requires me to be satisfied that the person whom the employee is seeking an order under s 142Y, is a person "involved in the breach" within the meaning of s 142W,⁵ which relevantly states:

³ The Act, s 142Y(1)(a).

⁴ s 142Y(1)(b).

⁵ s 142Y(1)(c).

142W Involvement in breaches

- (1) In this Act, a person is **involved in a breach** if the breach is a breach of employment standards and the person—
 - (a) as aided, abetted, counselled, or procured the breach; or
 - (b) has induced, whether by threats or promises, or otherwise, the breach;
or
 - (c) has been in any way, directly or indirectly, knowingly concerned in, or party to, the breach; or
 - (d) has conspired with others to effect the breach.
- (2) However, if the breach is a breach by an entity such as a company, partnership, limited partnership, or sole trader, a person who occupies a position in the entity may be treated as a person involved in the breach only if that person is an officer of the entity.
- (3) For the purposes of subsection (2), the following persons are to be treated as officers of an entity:
 - (a) the person occupying the position of a director of a company if the entity is a company:
...

[12] Mr Corin's admission to Mr Sollano that he is owed wages as well as his past promises that he will see him fully repaid, is evidence that Mr Corin is directly and knowingly involved in the breach of employment standards under s 142W.

[13] The fourth and final step is that I must be satisfied that the arrears in wages or other money payable is ordered only to the extent that the employee's employer is unable to pay.⁶ With Shorcom's liquidation, the company is no longer in a position to pay Mr Sollano what it owes him in wages and accrued annual leave. Cumulatively considered, I find that the total amount of \$15,230.40 owing to Mr Sollano is payable by Mr Corin under ss 142Y and 142W of the Act.

Interest

[14] The Authority has the power under cl 11 sch 2 of the Act to award interest if it thinks fit to do so. I acknowledge that Mr Corin would not have expected to pay interest on a debt that originally sat with his company. However, Mr Sollano has been inconvenienced due to the many promises made to him by Mr Corin that he will be paid which he never came through with.

⁶ The Act, s 142W(2).

[15] This is an appropriate case for the award of interest as Mr Sollano has been deprived of the use of his wages since his employment ended on 17 February 2025. However, bearing in mind that Mr Corin has been made liable by virtue of this determination, interest shall accrue from the date proceedings were lodged in the Authority and not before then. Mr Corin is ordered to pay interest on \$15,230.40 from 7 May 2025 to the date payment is made in full. Interest is to be calculated using the civil debt interest calculator.⁷

[16] For the reasons given, Mr Corin is a person involved in the breach of employment standards and is personally liable under ss 142Y and 142W of the Act for Mr Sollano's unpaid wage arrears and unpaid annual leave. Given the outcome of this investigation in which Mr Sollano has been successful, it is appropriate that he be reimbursed the filing fee of \$71.55 that he paid to lodge his statement of problem with the Authority.

Summary of orders

[17] The Authority grants leave under s 142Y of the Act for Mr Corin to be declared a person involved in the breach of employment standards under ss 142Y and 142W of the Act. Mr Corin is ordered to pay Richmond Capistrano Sollano the following monies no later than Friday 10 April 2026:

- (i) \$15,230.40 in wage arrears and unpaid annual leave;
- (ii) interest on \$15,230.40 from 7 May 2025 until the date full payment is made; and
- (ii) reimbursement of the filing fee of \$71.55.

[18] As the parties were self-represented throughout this investigation, costs shall lie where they fall.

Peter Fuiava
Member of the Employment Relations Authority

⁷ www.justice.govt.nz/fines/civil-debt-interest-calculator.