

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

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

[2025] NZERA 787
3316401

BETWEEN GIULIA CAROZZI
 Applicant

AND CABLE BAY WINE LIMITED
 Respondent

Member of Authority: Robin Arthur

Representatives: Teresa Brown, advocate for the Applicant
 Emma Crowley and Bronwyn Colgan, counsel for the
 Respondent

Submissions received: From the Applicant on 18 November 2025 and from the
 Respondent on 3 December 2025

Determination: 5 December 2025

COSTS DETERMINATION OF THE AUTHORITY

[1] A determination issued on 13 November 2025 found Cable Bay Wine Limited (CBWL) had acted unjustifiably in dismissing Giulia Carozzi and awarded her remedies of lost wages and distress compensation.¹ The parties were encouraged to resolve between themselves a reserved issue of costs. They did not.

[2] Ms Carozzi then lodged a memorandum seeking an order for costs higher than the usual rate awarded in the Authority. In a memorandum in reply CBWL opposed any uplift and proposed an order for lower than usual costs.

Factors

[3] In determining costs the Authority applies well-established tenets to the particular circumstances of the case.² Those tenets recognise that a successful party

¹ *Carozzi v Cable Bay Wine Limited* [2025] NZERA 666.

² Employment Relations Act 2000, Schedule 2 clause 15(1) and www.era.govt.nz/determinations/awarding-costs-remedies.

should receive a contribution to its reasonably incurred costs and expenses; costs should generally be modest and may not be used to punish an unsuccessful party; the nature of the case may allow for an order that costs lie where they fall; and the Authority may use a notional 'daily rate' as a starting point to assess costs. The current daily rate is \$4,500 for the first day of any investigation meeting, with a further \$3,500 for each additional day.

[4] Undue rigidity in applying the daily rates is avoided by upward or downward adjustments appropriate to the particular case. Those adjustments may take account of settlement offers made by either party, the financial means of a liable party to pay costs, the preparation required in particularly complex matters and whether conduct of any party unnecessarily increased the costs they incurred.

Assessment

[5] As the successful party in her personal grievance application Ms Carozzi was entitled to an award contributing to her reasonably incurred costs and expenses.

[6] The Authority's usual daily tariff of \$4,500 applied as a starting point for an assessment of that award. Ms Carozzi sought an uplift to \$6,729 for her representation costs of \$6,480 and reimbursement of her expenses. The expenses comprised the Authority's \$71.55 filing fee and a further \$177.50 spent on photocopying, parking, witness travel and phone calls.

[7] Ms Carozzi submitted CBWL should be ordered to pay the resulting total of \$6,729.05 because it had "made only a minimal settlement offer" before the investigation meeting, was found by the Authority to have acted unfairly, and had advanced arguments with no real prospect of success.

[8] Settlement offers were not a relevant factor in assessing costs in this matter. The parties' memoranda disclosed CBWL had made a settlement offer but it was not for an amount greater than Ms Carozzi subsequently received from the Authority determination. Similarly, there was no evidence she had offered to settle for an amount lower than the outcome she eventually gained in the proceedings.

[9] The findings of unfairness made against the company were not grounds to increase costs. Rather, those findings were the basis on which she was successful party and entitled to an award of costs at the Authority's usual daily rate. Costs could not be

increased to punish CBWL for its failures of fairness as those failures were recognised and compensated for in the remedies awarded.

[10] On my assessment of the evidence and submissions heard in the Authority investigation, CBWL had not pursued points which unnecessarily increased costs to an extent which would warrant an uplift of that tariff. Rather, as submitted by CBWL, elements of its defence were accepted in the Authority's determination. This referred to findings that Ms Carozzi had not established inadequate training was the cause of the conduct for which she was dismissed and that she had contributed to the situation giving rise to her grievance, with a resulting reduction in remedies.

[11] Similarly, the finding on some contributory conduct by Ms Carozzi did not warrant a reduction in the award of costs appropriately due to her for successfully pursuing her grievance. Applying a further reduction for costs would amount to using costs as punishment. The contributory conduct had already been recognised by the reduction in remedies awarded.

[12] Ms Carozzi was entitled to be reimbursed for the expense of the Authority filing fee but other expenses she claimed were for items expected to be covered by the daily tariff for costs.

Order

[13] Within 28 days of the date of this determination CBWL must pay Ms Carozzi \$4,500 as a contribution to her costs of representation and \$71.55 to reimburse her for the expense of the fee to lodge her application to the Authority.

Robin Arthur
Member of the Employment Relations Authority