

**IN THE EMPLOYMENT RELATIONS AUTHORITY  
AUCKLAND**

AA 343/10  
5308596

BETWEEN FERN MARIA ZITA PASSELL  
LOVEDAY BROWN  
Applicant

AND SPLENDEUR BEAUTY  
LIMITED  
Respondent

Member of Authority: Yvonne Oldfield

Representatives: Ms Loveday Brown in person  
Kathleen and Bruce Harris, Directors, for Respondent

Investigation Meeting: 2 August 2010

Determination: 2 August 2010

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**CONSENT DETERMINATION OF THE AUTHORITY**

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**Employment Relationship Problem**

[1] This employment relationship problem concerns a claim for arrears of wages and holiday pay. In her statement of problem Ms Loveday Brown told the Authority that when she left her job with the Respondent, Splendeur Beauty Limited, she was not paid for her final week's work nor did she receive her outstanding holiday pay.

[2] Ms Harris confirmed that this was correct. She said that the business has been in serious difficulties and is in the process of selling assets in order to pay secured creditors. She said that until that was complete she was unable to say when or even whether the business would be able to pay Ms Loveday Brown what it owed her.

[3] Both parties confirmed that for the final week's work Ms Loveday Brown was owed 41 hours pay at \$20.00 per hour gross. I was provided with Ms Loveday

Brown's last payslip (for the week prior to her final week) which showed "*annual leave due*" of 126 hours. I was not provided with any other wage and time records.

[4] Ms Loveday Brown had some concern that "*annual leave due*" had been showing as 126 hours for some time, that is that it was not being updated on a weekly basis. She said that the balance seemed lower than she would have expected given that she had worked for the respondent for some time and believed she had not in any given year taken all her leave entitlements. However she was not able to tell me what holidays she had taken.

[5] Ms Harris told me that she used a MYOB payroll programme and believed it updated the holiday balance each pay period.

### **Determination**

[6] The Authority's understanding of payroll programmes such as MYOB is that they can accommodate different arrangements as to how holiday balances are updated. They may update the holiday balance in each pay period, or do so on the anniversary of employment. Without seeing all the wage and time records I cannot be conclusive about whether the payslip shows the full amount of holiday pay outstanding at termination, or just the holiday pay balance at the last anniversary of employment.

[7] What can be established, and is agreed by the parties, is that Ms Loveday Brown is owed at least the following:

Outstanding holiday pay as shown on payslip for week ending 10 March 2010 (126 hours @ \$20.00 per hour)	\$2,520.00gross
Final weeks wages (41 hours at \$20.00 per hour)	\$820.00gross
8% holiday pay on arrears of wages	\$65.60gross

[8] I therefore make the following order by consent.

[9] The respondent, Splendeur Beauty Limited is ordered to pay to the applicant, Ms Loveday Brown, the following:

**i. \$820.00 gross arrears of wages, and**

**ii. \$2,585.60 gross holiday pay.**

[10] Should it prove that the holiday pay balance was not up to date, further holiday pay may remain outstanding. I suggest that Ms Harris check this, and provide full wage and time records to Ms Loveday Brown so that any potential confusion may be clarified. Leave is reserved for the matter to be pursued in the Authority if necessary.

Yvonne Oldfield

Member of the Employment Relations Authority