

*Under the Employment Relations Act 2000*

**BEFORE THE EMPLOYMENT RELATIONS AUTHORITY  
CHRISTCHURCH OFFICE**

**BETWEEN** Stonehurst Accommodation Limited (Applicant)  
**AND** Rachel Elizabeth Johnson (Respondent)  
**REPRESENTATIVES** Diane Kirkwood, Advocate for Applicant  
Rachel Elizabeth Johnson in person  
**MEMBER OF AUTHORITY** Philip Cheyne  
**INVESTIGATION MEETING** 26 January 2005  
**DATE OF DETERMINATION** 27 January 2005

DETERMINATION OF THE AUTHORITY

*Employment Relationship Problem*

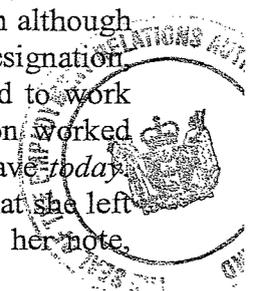
[1] Stonehurst Accommodation Limited (Stonehurst) says that its former employee, Rachel Johnson, left her employment before the expiry of the specified period of notice so must forfeit one week's wages in accordance with the terms of the written employment agreement. It also seeks the return of uniform items issued to Ms Johnson or reimbursement of its uniform expenses.

[2] Ms Johnson did not lodge a statement in reply but she did attend and participate in the investigation meeting.

*Facts*

[3] Ms Johnson mostly did not dispute the outline of relevant events given by Diane Kirkwood, the applicant's general manager. About July 2004, Ms Johnson advised her manager (Sam) that she was resigning. Ms Johnson also says that she gave Sam written notice of her resignation although the applicant has no record of that. Nothing turns on that point. Acting on the notice of resignation Stonehurst prepared its rosters for the forthcoming period and Ms Johnson was rostered to work 30 July, 31 July, 1 August, 2 August, 3 August, 5 August and 6 August. Ms Johnson worked 30 July and 31 July but left a note addressed to Sam saying that she had decided to leave *today*. Ms Johnson went to Queenstown to commence another job but she also gave evidence that she left Christchurch for personal reasons unconnected with her employment at Stonehurst. In her note, Ms Johnson was apologetic about her decision to leave before the expiry of her notice.

[4] Ms Johnson had been issued with several items of uniform which were not returned to Stonehurst. At the investigation meeting, Ms Johnson returned some items but there remain unreturned items to the value of \$90.00. At the time, Stonehurst calculated that the value of the unreturned items amounted to \$155.00 and advised Ms Johnson via email that the two days wages owed to her would be withheld to meet that cost. No other wages were owed to Ms Johnson. The



email also demanded payment from Ms Johnson of \$460.00 pursuant to the employment agreement. In her reply, Ms Johnson made some complaints about work but she did not pursue those issues before me.

[5] The employment agreement provides:

7.2.1 ...the employment may be terminated by either the employer or the employee giving the other ... three weeks notice of ... resignation .... Where either party terminates the employment without giving the required notice period, one week's wages shall be paid or forfeited as the case may be by the defaulting party.

...

7.25 In the event that the employee's employment is terminated or the employee resigns, the employee hereby authorises the employer to deduct from the employees pay whatever monies the employer may be owed under the employment relationship (or otherwise) ....

**Conclusion**

[6] Ms Johnson's actions in leaving before the expiry of her notice period constitute a default within the ambit of clause 7.2.1. She is therefore obliged to forfeit a week's wages. I accept the calculations provided by Stonehurst that values a week's wages at \$460.00. On top of that, Ms Johnson is obliged to cover the cost of the unreturned uniform items totalling \$90.00. From that total (\$550.00), Ms Johnson is entitled to credit for the last two days work she performed, a total of \$162.70 (net).

[7] Ms Johnson is ordered to pay Stonehurst Accommodation Limited the sum of \$387.30. I anticipate that the parties may need to reach an agreement about payment over a period of time.



Philip Cheyne  
Member of Employment Relations Authority



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