

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

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

[2025] NZERA 628
3342480

BETWEEN CHAOYUN WANG
 Applicant

AND STEEL MASTER CO.
 LIMITED
 Respondent

Member of Authority: Helen van Druten

Representatives: Amy De-La Cruz, advocate for the Applicant
 Respondent in person

Investigation Meeting: 28 April 2025 at Auckland

Submissions received: 18 August 2025 from Applicant
 None from Respondent

Determination: 07 October 2025

COSTS DETERMINATION OF THE AUTHORITY

Employment relationship problem

[1] By determination dated 29 July 2025, the Authority found that Mr Chaoyun Wang was unjustifiably dismissed and Steel Master Co. Limited (Steel Master) was ordered to pay Mr Wang \$11,000 compensation pursuant to section 123 (1)(c)(i) of the Employment Relations Act 2000 (the Act), lost wages equating to 8 weeks wages plus holiday pay pursuant to s 124(1)(b) and s 128 of the Act, payment for unpaid sick leave and annual leave entitlements of \$4,443.61 plus interest.¹

[2] Costs were reserved for the parties to negotiate but no agreement was reached.

¹ *Wang v Steel Master Co. Limited* [2025] NZERA 457.

The application for costs

[3] In a memorandum of 18 August 2025, Mr Wang’s advocate calculated the total payments owed to Mr Wang as \$25,321.13 exclusive of costs and disbursements. She now seeks costs of \$4,500 and the Authority filing fee as per the Authority’s normal daily tariff approach.

[4] In addition, Ms De-La Cruz seeks an uplift of \$2,000 for Steel Master’s failure to comply with Authority directions at the investigation meeting requiring provision of timesheets and failure to engage with an early reasonable “Calderbank offer”.²

[5] Ms De-La Cruz further seeks a costs-on-costs contribution of \$750 for preparation of the costs filing to the Authority as Steel Master failed to engage with her on the costs matter.

[6] No response to the costs application was received from Steel Master.

Assessment

The Authority’s costs approach

[7] The Authority’s discretion to award costs is well established and arises from Section 15 of Schedule 2 of the Act. The discretion to order a party to pay costs to another must be exercised on a principled basis and awards made consistent with the Authority’s equity and good conscience jurisdiction. Those principles are well settled and are outlined in the Authority’s Practice Note,³ and Practice Direction,⁴ both publicly available online.

Costs for Mr Wang

[8] A starting point is that costs normally follow the event and as Mr Wang was successful in his personal grievance and obtained a compensatory remedy, an award of costs is appropriate.

² A Calderbank offer is an offer made by one party to settle the claim on specific terms. The offer is marked “without prejudice save as to costs”, allowing the right to bring the offer to the Authority’s attention if the claim is not settled. The offer can then be used for assessing costs once the claim has been determined.

³ www.era.govt.nz/determinations/awarding-costs-remedies/#awarding-and-paying-costs-

⁴ <https://www.era.govt.nz/assets/Uploads/practice-direction-of-the-employment-relations-authority.pdf>.

Applying the daily rate

[9] The Authority's general approach is to apply a notional daily rate and only adjust that rate if persuaded that circumstances or other factors require an upward or downward adjustment.⁵ The current full daily rate is \$4,500 for the first day of an investigation meeting. The investigation meeting took one day and Steel Master participated in the investigation meeting.

Adjusting the daily rate

[10] The daily tariff can be adjusted for relevant factors. One accepted factor to consider is where a Calderbank offer was made and the other party unreasonably rejected it resulting in increased costs for one or both parties that could have been avoided by accepting that earlier offer.

[11] The key requirements in applying this exception are that the Calderbank offer is a valid Calderbank offer, it was unreasonably rejected by the other side, and that party did not get an award from the Authority that was greater than the amount of the Calderbank offer.⁶

[12] Mr Wang provided a copy of the written 16 October 2024 Calderbank offer made "without prejudice save as to costs" offering full and final settlement of all matters to settle the employment relationship problem. The offer remained in place for acceptance until 23 October 2024. Steel Master did not accept the offer, or to the Authority's knowledge, provide any counter proposal. Steel Master would have been better off, albeit only slightly, if they had accepted that offer and Mr Wang would not have had to incur the additional representative costs. The 16 October 2024 offer met the requirements of a valid Calderbank offer.

[13] On this basis, it is appropriate to increase the daily tariff and I quantify this increase at \$500.

[14] As Steel Master did participate in the investigation meeting, albeit with some delays, I do not consider any further uplift of costs is appropriate.

⁵ For further information about the factors considered in assessing costs see: www.era.govt.nz/determinations/awarding-costs-remedies/#awarding-and-paying-costs-1.

⁶ *Ogilvie & Mather (NZ) Limited v Darroch* [1993] 2 ERNZ 943.

Conclusion

[15] Mr Wang was the successful party and is entitled to receive an award of costs. The daily tariff of \$4,500 and the Authority filing fee of \$71.55 is applied to calculate the quantum of the award with an uplift of \$500 for refusal to accept an early Calderbank offer.

Order

[16] Steel Master is to pay Mr Wang \$5,071.55 as a contribution to his costs in this matter.

Helen van Druten
Member of the Employment Relations Authority